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# LAND UTILIZATION and - MARKETABILITY STUDY

# BUTCHERTOWN INDUSTRIAL REDEVELOPMENT PROJECT

San Francisco, California
Redevelopment Agency

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April 21, 1968
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San Francisco Redevelopment Agency
525 Golden Gate Avenue
San Francisco, California

Attention: Mr. Walter D. Gaby, Director
Planning and Programming

Gentlemen:

We are pleased to submit the results of our Land Utilization and Marketability Study for the Butchertown Redevelopment Project Area.

The objectives of this study have been to establish the use and demand for land in Butchertown, and to study and draw conclusions regarding a number of special considerations surrounding the redevelopment of this area.

## MAJOR CONCLUSIONS

The major conclusions of this study are as follows:

- The major demand in the project area will be for industrial land. We, therefore, recommend that Butchertown be developed as an industrial park to serve the needs of established Bay Area firms seeking to expand or relocate, as well as new firms to the Bay Area.
- As to character and quality, in our opinion, the industrial park should be of a standard competitive with other nearby industrial parks both as to design and standards and controls, to meet the expressed desires of potential users, to reflect favorably upon the City and County of San Francisco, and to set an example for other possible industrial parks within the City.

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marketability study :
[1968]

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- Different from other close-in industrial parks where a trend toward distributive uses is evidenced, we believe demand can be created among manufacturing and other relatively labor intensive industrial firms in the project area. In light of this, the following types of industry should be sought to best meet the job generation goals of the Butchertown Redevelopment Project: (Industries are listed as to which are expected to play a major role in the project area, and those which might play a less significant role.)

  Major Industries by Occupancy

  Food and kindred products
  Lumber and wood products
  Printing and publishing
  Electrical machinery
  Fabricated metal products

  Minor Industries by Occupancy

  Apparel
  Food service
  Government (industrial orientation)
  Ships services and general services

- We estimate that this combination of industries will yield between 50 and 60 jobs per acre of land to be sold in Butchertown. Accordingly, the 75 acres of salable land in the proposed park would yield a total of from 3,750 jobs to 4,500 jobs.

- In addition to industrial uses, we see a potential demand for retail and business services within the industrial park. These non-industrial uses would occupy up to four acres and include restaurants, perhaps a branch post office and a bank, among other industrially oriented commercial uses.

- In regard to land absorption, we forecast a sales rate of 12 to 15 acres per year for Butchertown. On this basis the land will be completely absorbed within five to six years.

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- Analysis of the site area itself as well as the surrounding area suggests that the only major physical drawback to the proposed development are the poor soil conditions within the site. These conditions can pose important problems in the marketing of industrial property. However, the problems of poor soil conditions have been met satisfactorily in other industrial developments along the Bay front. We do not consider them to be insoluable in Butchertown. Special engineering studies and assistance regarding soil conditions must be made available to prospective land purchasers.

- In view of a widespread concern among potential users as to the odors of the existing meat processing operations, we recommend that relocation of the meat processing plants should be accomplished during an initial phase of the development period. In this way it can be demonstrated to potential firms that the odors and other objectionable features of the meat processing operation have been removed.

## SUMMARY

In the following paragraphs we will present summary information to support these major conclusions.

## POPULATION AND EMPLOYMENT

### Population

Population in the South Bayshore sector of San Francisco (in which Butchertown is located) has continued to grow while population in San Francisco as a whole has continued to decline. In the future, we anticipate that South Bayshore will add population and that San Francisco City will reverse the existing trend and begin again to increase numerically.

Present and expected future population in San Francisco and the South Bayshore are shown below (in thousands of persons).

| | 1960 | 1965 | 1971 | 1980 |
|---|---|---|---|---|
| San Francisco | 740.3 | 725.0 | 745.0 | 752.0 |
| South Bayshore | 37.5 | 41.0 | 46.4 | 53.1 |

## EMPLOYMENT

Between 1960 and 1966 the total employment in the City and County of San Francisco increased by approximately 30,000 persons (476,000 to 505,000). While manufacturing employment declined by 6,500, finance, insurance and real estate activity added 6,000 employees, a growth of almost 25 percent. Services, which increased by 20,000 persons, and government, which grew by 15,000, accounted for almost all of the remaining increase.

Within manufacturing, some significant changes have been taking place as well. Paper and allied products, printing, publishing and allied industries, and stone, clay and glass products have experienced fairly large relative increases in employment, while the other manufacturing sectors declined or grew but slightly.

In the area surrounding the proposed Butchertown Industrial Park there are approximately 35,000 jobs, which is an increase of about 5,000 in the past ten years. Of these persons, approximately 10,000 are currently engaged in manufacturing pursuits, while a comparable number are employed by wholesale and retail trade concerns. Contract construction accounts for about 5,000 employees and services about 2,000. The remaining 8,000 persons are employed in a variety of other jobs.

## EMPLOYMENT CHARACTERISTICS

Statistics show that the work force will increase in size and become relatively younger with the passage of time. The age categories under 24 will rise from less than 16 percent of the total labor force to almost 19 percent. Similarly, the proportion in the over-65 category and in the 25-44 category will be reduced.

Age characteristics of the unemployed show a larger incidence of workers seeking employment under 21 and over 65--almost double the proportion of the work force in these categories.

As to extent of unionism, almost 58 percent of the employees in this labor market area belong to unions, whereas the comparable statewide statistic is only 40 percent. Only in food processing and transportation equipment manufacturing do we find union membership ratios lower in this area than in the state. The industry with the highest extent of union participation is the lumber and furniture and fixture industry (85 percent of the employees). Other industries with unusually high participation ratios are the paper and allied products sector (82 percent), printing and publishing (65 percent), and metals and machinery (63 percent). Industries which are not heavily unionized include petroleum, chemical, rubber, and leather workers (29 percent) and workers engaged in producing instruments and related products as well as miscellaneous manufacturing (17 percent).

In August, 1967, 61,400 persons were unemployed in the San Francisco labor market area. This represents 4.5 percent of the civilian labor force, and on a seasonally adjusted rate the employment rate is 4.7 percent. These unemployment figures represent a slight increase (3,200, or 0.1 percent) over the comparable data for August, 1966. Between 1960 and 1966 the annual unemployment rate in the area fluctuated between 4.4 percent (1966) and 5.9 percent (1961). The median value of this seven-year period was 5.2 percent.

In September, 1967, Negroes constituted approximately 10 percent of the civilian labor force in San Francisco. In the same month, however, they made about 15 percent of the total new claims for unemployment compensation. Similarly, whites, which represented about 80 percent of the labor force, accounted for 60 percent of the new claims (the difference being accounted for by other non-whites). Non-whites account for about one out of four of all

unemployed persons. Recently, when 5.5 percent of the Bay Area labor force was unemployed, the comparable statistics for non-white men was 11.3 percent and 11.0 percent for non-white females.

## INDUSTRIAL LAND ABSORPTION AND CHARACTERISTICS

### Absorption

Analysis of statistics shows that the absorption of industrial land in the San Francisco Bay Area over the 15-year period, 1949-1964, has been as follows by county:

| County | [illegible] | Annual Change Acres | Annual Change Percent |
|---|---|---|---|
| Alameda | | 48 | 0.53% |
| Contra Costa | | 94 | 1.24 |
| Napa | | 12 | 4.81 |
| San Francisco | | 71 | 3.24 |
| San Mateo | +60 | 26 | 0.08 |
| Santa Clara | ± 90 | 1,304 | 62.35 |

The area in which Butchertown Industrial Park is to be located has experienced the largest absolute increase of industrial land growth of any area in the City. Whereas total industrial land has increased during the past 15 years in San Francisco, land used for heavy industrial purposes has decreased. Only one area in San Francisco--the area in which the Butchertown industrial project is to be located--has shown an increase in land used for heavy industry. In view of these trends, this area is and will continue to become the City's principal industrial area.

Our survey of industrial park acreage shows that as of June, 1966, only about 1,500 acres of the total industrial park land in the Bay Area was in active use. This represents about 8 percent of the land available. Total industrial land sold, however, was in the order of 3,000 to 3,500 acres, which indicates that about one-half of the land sold has been put to industrial use.

The median absorption rate for industrial park land in the San Francisco Bay Area during the period 1960-1966 has been eight acres per year. The most prevalent sales performance level by individual parks has been two to six acres per year.

The four parks closest to Butchertown have experienced the following absorption rates:

| Park | Year Started | Annual Absorption |
|---|---|---|
| Crocker | 1966 | 13.5 acres |
| Cabot, Cabot & Forbes | 1964 | 65.0 |
| Person Swanson | 1962 | 5.6 |
| South San Francisco | 1956 | 1.5 |

In the Development Research Associates survey, we observed a number of well-merchandised, professionally managed parks, which had experienced a continuous selling activity. Typically, the most successful of these were dedicated to providing industrial land aimed at meeting specific industrial needs, rather than to simply make a profit on the subdivision and sale of land.

## Prices

Improved industrial park land prices in the San Francisco Bay Area generally range from $0.44 to $2.50 per square foot. The most expensive land is generally found in northern San Mateo County while the cheapest is found in Solano County.

In the South Bayshore area of San Francisco, where industrial parcels are typically very small, prices range up to $4.00 per foot and more.

## Standards and Controls

Generally the most successful industrial parks have a genuine park-like environment, indicating park developers are able to maintain restrictions on setback areas to attain an uncrowded landscape. Another major characteristic of the more successful industrial parks are architectural controls that provide a uniform appearance to the park. Larger parks, which are among the most successful land sellers, impose particularly stringent standards and controls.

## CHARACTERISTICS OF SAN FRANCISCO MANUFACTURING

A comprehensive survey of San Francisco manufacturing firms yielded valuable information for the development and disposition of industrial land in Butchertown. Key findings include:

- San Francisco manufacturing is characterized by three major product groupings: Food and kindred products (10.3 percent of all respondents), printing and publishing (15.3 percent), and fabricated metal products (12.2 percent). The great diversity of San Francisco manufacturing is also indicated in this distribution with most of the major product categories represented by a significant number of respondents.

- As to size, approximately 36 percent of all responding firms had under nine employees. Over half had less than 20 employees, and only 3 percent indicated employment of 500 workers or better.

- In regards to skills, professional, managerial and clerical and sales comprise a relatively large percentage of San Francisco manufacturing employment. Among the blue collar occupations, there is a similarly high percentage of skilled workers as contrasted with semi- and unskilled workers. Only 21 firms indicated that over 75 percent of their work force was semi-skilled, and only 6 firms stated that over 75 percent of their work force was unskilled.

- o Regarding tenure and building characteristics, a surprisingly low percentage (28.7 percent) of the responding firms own their land and building, while a large number (56 percent) lease their facilities. San Francisco manufacturing firms are generally housed in buildings that are older than the firms themselves. For instance, about 52 percent of the firms indicated their facilities were constructed before 1930; whereas, 42 percent indicated pre-1930 as the year the firm was established. The high percentage of old manufacturing facilities would suggest a comparably high incidence of obsolete facilities among San Francisco manufacturing firms.

- o By type of construction, smaller manufacturing firms are to be found predominantly in the wood frame and masonry construction buildings. Large firms (greater than 50 employees) tend to favor tilt-up concrete construction, while medium-sized firms are found in relatively high proportions in steel and masonry construction. Steel frame and metal clad buildings are used by all firm sizes but predominantly by very small and very large firms.

- o Site location factors listed by responding firms place heavy emphasis upon transportation-oriented factors in determining the advantages of a particular site. The highest ranking factors are:

  1. Employee commuting conditions.

  2. Ease of access by truck or auto.

  3. Conditions of nearby streets and highways.

  These roadway-oriented transportation factors outrank other municipally supplied services such as police protection; waste disposal; water pressure quality; utility services such as power, natural gas, and fuel oil; and legal considerations such as zoning regulations and building codes.

- In regards to growth and relocation, a surprisingly high percentage (38 percent) advised that they did not expect to expand in the future. Furthermore, growth plans were moderate, with about 26 percent indicating that they expected to grow at less than 20 percent during the next five years.

  An equally surprisingly high percentage of the total respondents (35.8 percent) are currently planning to relocate their manufacturing operations in the future. A majority of these potential relocatees (19.2 percent of 35.8 percent) plan to leave the City. However, relatively few indicated plans to relocate outside of the Bay Area.

- Analysis of labor intensive firms established that these firms tended to differ from the average of all firms in the following regards:

  - The labor intensive firms are somewhat larger in size. The median point for the latter would be in the 20 to 49 employee size category as contrasted with the 10 to 19 employee category, which is the median for San Francisco manufacturing firms as a whole.

  - Union membership among production workers in the labor intensive firms is higher than that of the average for all San Francisco manufacturing firms.

  - Labor intensive firms are somewhat older than non-labor intensive firms. In particular, the larger labor intensive firms are decidedly older than the average for all large firms.

  - As to growth outlook, there is some indication that labor intensive firms have more modest growth expectations than the overall average for San Francisco firms.

  - The more labor intensive firms prefer an industrial park location to a greater extent than do all San Francisco manufacturing firms.

- Responses from a smaller group of face-to-face executive interviews yielded the following, specifically in regard to a redeveloped Butchertown location:
    - While almost 60 percent of the respondents indicated that Butchertown offered them no locational advantages at all, those advantages cited included: proximity to customers and to a good source of labor. Drawbacks included: potential security problems, and lack of customer proximity.
    - Approximately two-thirds of these respondents indicated vocational training itself was relatively unnecessary in connection with their firm's operations. Most respondents stated that their operations were such that the skills required could not be readily taught in a vocational training center.
    - Over 40 percent of the respondents stated a recreational field would be desirable. However, most respondents felt the advantage lay primarily for use of the ball field by the local community rather than solely for the use by the worker population of the project area.
    - Manufacturers indicated that rail and truck facilities were most strongly desired in a new industrial park. Next in order of importance were restaurants and a post office. In general, the survey respondents pictured an industrial environment in which good access (particularly from the potential freeway system) adequate parking and off-street loading were major favored features of the proposed industrial park.
    - As to what type of industrial neighbors would be objectionable, almost 30 percent of the respondents said no neighboring use would be objectionable. However, those that did respond listed odoriferous operations, meat processing operations, and noise makers.

## MARKETING INDUSTRIAL LAND IN BUTCHERTOWN

Keyed to the above, we believe the following elements will influence the marketing of industrial land in a redeveloped Butchertown Project Area.

### Site Location

Major favorable site location factors of Butchertown are: proximity to the new Hunters Point Freeway and Southern Crossing, existing and proposed developments in the port area neighboring Butchertown (important in terms of introducing support industries to Butchertown), and proximity to downtown San Francisco.

Although the surrounding area suffers from mixed land uses, severe congestion and overcrowding, these drawbacks do not seem to be serious enough to affect adversely the Butchertown development program.

On the contrary, a well-planned Butchertown industrial park could capitalize upon the comparatively undesirable features of the surrounding area to attract industrial land users.

### Job Generation and Training

The job generation goals of the Butchertown Industrial Park will limit the potential land users to those that are relatively labor intensive. This characteristic has been built into our estimate of potential jobs to be created when Butchertown has attained maximum development. It also largely removes from serious consideration the very firms for which close in, maximum access locations are particularly valuable: namely, the distributive firms, which are not major job generators. We have, therefore, concluded that Butchertown is not likely to achieve the relatively high rates of absorption enjoyed by comparably located parks that permit (and indeed seek) distributive firms.

However, we believe that the establishment of effective job training programs in the South Bayshore area will represent a positive value in the land sales

program. Job training should prove particularly advantageous in (1) the location of certain industries where the need for trained workers is critical; and (2) the location of specific firms that may be particularly motivated to provide job opportunities in ghetto areas.

## Industrial Park Environment

The key distinguishing factors of an industrial park is the emphasis upon planning, standards and controls. Our research among manufacturers shows clearly that Butchertown should be developed as an industrial park and that reasonable standards and controls should be imposed.

These include the visual qualities of the area, i.e., landscaping, building types and the like; and controls that protect the industrial use of the land from the incursions of non-industrial uses, that enhance property values and that aid industrial operations, particularly:

- Access to the park for employees and freight.
- Interior access via wide uncongested roads.
- A defined park area, clearly and demonstrably buffered from neighboring residential areas, and just as clearly more attractive than nearby industrial sectors. Thus, a secure and attractive area into which employers can recruit more successfully.

In regard to restrictions we recommend standards that further these objectives. All restrictions should be carefully examined to insure that each is worthwhile and does not merely limit the developer's flexibility.

We also have in mind the close proximity of the project area to residential areas, particularly the proposed new Hunters Point community presently being planned, and the need to provide maximum visual amenities to these areas.

Accordingly, we would concur in the standards and controls proposed for the industrial park by the San Francisco Redevelopment Agency.

Parcelization

Based upon demand factors and the general trend in other industrial parks in the San Francisco Bay Area we recommend a parcel mix as shown below. The recommended parcel sizes include space for off-street parking. (This, of course, is an approximate distribution and could be modified by engineering and planning considerations.)

| | Percent of Net Land Area | Acres |
|---|---|---|
| 1/2 to 1 | 50% | 38.0 |
| 1-1/4 to 2 | 25 | 19.0 |
| 2-1/4 to 3 | 15 | 11.4 |
| 3-1/4 to 5 or more | 10 | 7.6 |
| | 100% | 76.0 |

CONCLUSION

Development Research Associates has been honored by the opportunity to participate in this very significant and challenging project. We believe a new planned industrial park developed in the existing Butchertown area will meet a distinct need for new industrial space well located within San Francisco. Of equal importance, we see the industrial park as a means of creating new jobs for the nearby residents of the Bayview-Hunters Point section, and providing these residents with the opportunity to upgrade their skills and thus participate to a much more meaningful degree in the economic life of the City.

Respectfully submitted,

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# LAND UTILIZATION AND MARKETABILITY STUDY
# BUTCHERTOWN INDUSTRIAL REDEVELOPMENT PROJECT
San Francisco, California

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## I

## INTRODUCTION

The San Francisco Redevelopment Agency is making application for loan and grant funds for a proposed industrial park in the Butchertown section of San Francisco.

Accordingly, the Agency has retained Development Research Associates to conduct a Land Utilization and Marketability Study of the Butchertown Survey area. The primary objective of this assignment is to develop a study that will provide a sound economic foundation for implementing planning, disposition and development activity in the project area. Equally important, it is appreciated that the demand for new industry must be accompanied by the type of industrial users that will generate job and training opportunities aimed at reducing unemployment and under employment currently in evidence in the Bayview-Hunters Point area.

## STUDY SCOPE

To accomplish these broad objectives, we have completed the following areas of analysis:

- Review and evaluation of economic base characteristics--emphasis on Hunters Point area and its environs--including factors such as population growth, employment, industrial development, commercial activity, available economic and planning studies.

- Review of physical factors affecting development of site including existing users, adjacent land uses, circulation patterns, utility availability, land values, concessions, and marketing.

- Field survey of existing industrial development in the market area, taking into consideration the job generation potential, size and quality of development, current land and building lease rates, current land sales prices, and type of industrial tenant.

- Projected estimated demand in market area for land uses under consideration which exhibit firm demand potential as related to job generation objective.

- Anticipated capture by the Butchertown Industrial Center for various land uses, taking into consideration the advantages and disadvantages inherent in the site, as well as the positive contribution of the urban redevelopment program.

- Projected absorption rate for proposed project by approximate year, job generation objective and anticipated land use.

## LAND USES

Land uses considered in this report include the following:

- Industrial Land Use
  - Light manufacturing
  - Heavy manufacturing
  - Specialized uses (i.e., packing, rendering)
  - Combination
  - Distribution

- Industrially Oriented and Related Commercial Land Use

- Special Uses (i.e., apprentice training center, industrial condominium, etc.)

## METHOD OF APPROACH

Our specific method of research approach for this report is outlined below:

A. Review and evaluation of economic base characteristics

   1. Population

      a. Review of historical population growth of City of San Francisco, metropolitan San Francisco and Bay Area.

   - b. Review of population characteristics of the study area: age, employment, skills, income, etc.
   - c. Review and evaluation of existing population projections of the study area.
   - d. Review and use of existing economic and planning data including current studies by our firm in connection with the Hunters Point Survey area.

2. Employment
   - a. Review of historical growth of local employment with particular attention to the role of the manufacturing and industrial-service sectors on job generating potential.
   - b. Analysis of current industrial labor force characteristics including items such as:
     - (1) Skills offered
     - (2) Age
     - (3) Current labor rates
     - (4) Extent of unionization
     - (5) Unemployment

3. Industrial Development
   - a. Review of historical development of industrial real estate in the San Francisco and Bay Area, including both planned and unplanned development.
   - b. Statistical analysis of industrial acreage absorption during the last 10 to 15 years.

B. Review of physical factors affecting development of site.

1. Surrounding Land Use
   - a. Type of land use

b. Development trend

c. Compatibility with industrial development in project area

2. Circulation

a. Existing and projected highway system in immediate area and effect on industrial development in project area.

b. Proximity of project area to other factors of influence such as industrial markets, airport, hotel and commercial centers, distributive points, residential environment, etc.

c. Review of utility availability under projected development plan and effect on future industrial development.

3. Transportation

Analysis of advantages and disadvantages of transportation facilities serving site in terms of their effect on future industrial development.

4. Community Facilities

Review and evaluation of community facilities (schools, training courses, apprentice programs, etc.) and their effect on industrial development.

C. Field survey of existing industrial development in the market area

1. Evaluation of existing facilities in terms of the following:

a. Parcel size
b. Building size and type
c. Type and size of tenant operation
d. Land price
e. Utility availability
f. Proximity to transportation facilities
g. Expansion plans
h. Land availability

2. Comprehensive mail survey and personal interviews with selected industrial executives in order to determine advantages of the San Francisco area and the proposed project area in terms of industrial development. Also, consideration was given to executive attitudes toward job generation potential in the industrial area.

D. Projected estimated demand in market area for land uses under consideration (industrial, industrially oriented commercial and industrial oriented office, etc.)

  1. Estimated acreage absorption over a three to five year period.

  2. Type of site and building features which will experience the greatest demand consistent with job generation objectives.

E. Anticipated capture by the project area for various land uses, taking into consideration:

  1. Advantages and disadvantages of property from both an economic and physical view.

  2. Positive areas of contribution possible through urban redevelopment.

F. Projected absorption rate for Butchertown Project Area by approximate year and anticipated land use.

G. Recommended program for successful marketing of industrial sites.

  1. Identification of major components of potential market, both geographically and in terms of specific industries.

    a. Labor-intensive firms which are potential developers in the project area.

    b. The employment characteristics of such firms.

  2. Suggested site development in order to best serve this market:

a. Optimum parcel size (range)

b. Site features and requirements

c. Environmental features to include in planning program

d. Building design standards necessary to encourage successful development consistent with job generation objective. Tentative development standards for land coverage, floor area ratios, height, setbacks and off-street parking and loading.

Particular emphasis has been placed upon the economic evaluation and recommendations of tentative project standards and controls to be incorporated in the proposed Butchertown plan. Factors such as job generation, physical improvement, type of user, land coverage, floor area ratios, desired rate of absorption, setbacks, height limits, number of employees, employee parking off-street loading, customer parking, have been taken into consideration.

## REPORT FORMAT

This report is divided into four major sections: Following the introduction, Section II presents economic base characteristics of the San Francisco Bay Area. Section III examines the potential demand for land in Butchertown. Section IV discusses programs for the successful marketing of industrial parcels in Butchertown.

## II

# ECONOMIC BASE CHARACTERISTICS OF THE SAN FRANCISCO BAY AREA

## POPULATION OF THE CITY OF SAN FRANCISCO AND THE BAY AREA

San Francisco reached its peak population in 1960, and since that time the number of people living within the city and county limits has been declining. As Table 1 indicates, the U.S. Census Bureau estimates that the population of San Francisco on July 1, 1967, was approximately 60,000 less than it had been some 17 years earlier. This decline in population, however, is not unique to San Francisco. Indeed, most central cities in the United States have lost population during this period. On the other hand, as Table 1 also shows, the other Bay Area counties have experienced population gains in the past 17 years.

Table 1
POPULATION OF THE SAN FRANCISCO BAY AREA
BY COUNTIES, 1940-1967

| | 1940 | 1950 | 1960 | Estimated 1967 |
|---|---|---|---|---|
| Alameda | 513,011 | 740,315 | 908,209 | 1,030,000 |
| Contra Costa | 100,450 | 298,984 | 409,030 | 514,000 |
| Marin | 52,902 | 85,619 | 146,820 | 187,000 |
| Napa | 28,503 | 46,603 | 65,890 | n.a. |
| San Francisco | 634,536 | 775,357 | 740,316 | 714,000 |
| San Mateo | 111,782 | 235,659 | 444,387 | 513,000 |
| Santa Clara | 174,949 | 290,547 | 642,315 | n.a. |
| Solano | 49,118 | 104,833 | 134,597 | n.a. |
| Sonoma | 69,052 | 103,405 | 147,375 | n.a. |
| Total | 1,734,303 | 2,681,322 | 3,638,939 | -- |

Source: U.S. Department of Commerce, Bureau of the Census; and San Francisco Chronicle, October 14, 1967

## GROWTH TRENDS

The population of the five Bay Area counties in July, 1967, according to the U. S. Bureau of the Census was 2,958,000--an increase of 12 percent over the comparable 1960 figure of 2,648,762 and 39 percent over the 1950 population of 2,135,934. The California Department of Finance has estimated that the population of San Francisco on July 1, 1967, was 747,500, which would indicate a slight increase of 7,000 persons over both the 1960 census figure and their July 1, 1965, figure of 740,200. Table 2 gives the estimates made by this department for July 1, 1967. An examination of these data will reveal slight differences between the estimates made by the U.S. Department of Commerce, Bureau of the Census as shown in Table 1 and the estimates of the State agency as given in Table 2. Nevertheless, in spite of these minor differences, both sets of data point to and highlight the large growth in the other Bay Area counties. (As described later in this section Development Research Associates has made an independent estimate of population in the City and County of San Francisco in 1965: 725,000.)

Table 2
SAN FRANCISCO BAY AREA COUNTIES 1967 POPULATION
WITH NUMBER AND PERCENT CHANGE SINCE JULY 1, 1966

| County | July 1, 1966 (Revised) | July 1, 1967 (Provisional) | Change | |
|---|---|---|---|---|
| | | | Number | Percent Change |
| Alameda | 1,047,500 | 1,065,500 | 18,000 | 1.7% |
| Contra Costa | 531,000 | 545,000 | 14,000 | 2.6 |
| Marin | 196,900 | 201,200 | 4,300 | 2.1 |
| Napa | 77,600 | 77,600 | -- | -- |
| San Francisco | 740,200 | 747,500 | 7,300 | 1.0 |
| San Mateo | 540,400 | 555,400 | 15,000 | 2.7 |
| Santa Clara | 927,300 | 966,800 | 39,500 | 4.1 |
| Solano | 164,800 | 169,200 | 4,400 | 2.6 |
| Sonoma | 183,600 | 187,500 | 3,900 | 2.1 |
| Total | | | 340,000 | 1.7% |

Source: California State Department of Finance

### Population Shifts

The largest county in the Bay Area is Alameda. It has more than 1,000,000 residents which is nearly twice the population of the four North Bay counties combined. This county surpassed San Francisco in size sometime between 1950 and 1960; and whereas San Francisco's population has been decreasing since that time, Alameda's has been increasing. The Bay Area county with the largest rate of growth in this period has been Santa Clara County, which has more than doubled its population since 1950 to become the region's second largest county. Although much of this growth in absolute numbers occurred in the decade of the fifties, the annual rate of increase in 1966-1967 in Santa Clara County (4.1 percent) exceeded that of any other county. This is shown in Table 2, which also illustrates that San Mateo County exceeded Contra Costa County in population, whereas Table 1 indicates just the opposite and shows that Contra Costa is now the area's fourth largest. It would appear, however, that, irrespective of these discrepancies, both counties will shortly exceed San Francisco in terms of population.

These growth rates have accentuated the trends which became most pronounced in the post-war period. As Table 3 shows, the increase in population by decade since 1900 has fluctuated from a low of 10.1 percent (1930 to 1940) to a high of 54.6 percent (1940 to 1950). From 1950 to 1960, for example, Marin County's population increased 71.5 percent. In the same period, San Francisco's population decreased 4.5 percent.

## POPULATION CHARACTERISTICS OF THE STUDY AREA

The Hunters Point area and the site of the Butchertown Industrial Park lie completely within Census Tract L-5A (see map of area in Figure 1). In this section of the report we will discuss the characteristics of the persons residing in this area. The data base for this analysis is the 1960 census, and although this material might be subject to some criticism since it is more than six years old, the fact remains that at that time the trends underlying the current conditions were then present, and we have now merely an exacerbation of these factors.

### Density

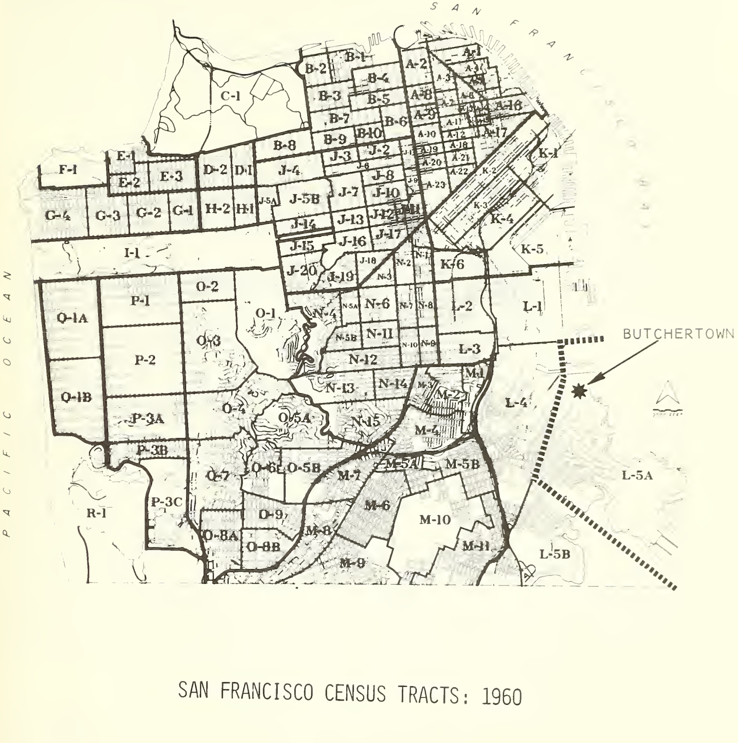
The population density of the census tract which corresponds to the Bayview-Hunters Point Area is less than 30 persons per acre, which is consistent with the city-wide average of 25 persons per acre. Thus, on the surface there is

Table 3
POPULATION GROWTH RATES BY DECADE, 1900-1960
FOR BAY REGION AND COUNTIES
(In Percent)

| | 1900 to 1910 | 1910 to 1920 | 1920 to 1930 | 1930 to 1940 | 1940 to 1950 | 1950 to 1960 |
|---|---|---|---|---|---|---|
| Bay Region | 40.7% | 27.7% | 33.1% | 10.1% | 54.6% | 35.7% |
| Alameda | 89.0 | 39.8 | 37.1 | 8.7 | 44.3 | 22.7 |
| Contra Costa | 75.5 | 70.1 | 45.9 | 27.8 | 97.6 | 36.8 |
| Marin | 59.0 | 8.9 | 52.3 | 27.0 | 61.8 | 71.5 |
| Napa | 20.4 | 4.4 | 10.7 | 24.5 | 63.5 | 41.4 |
| San Francisco | 21.5 | 21.5 | 25.2 | -- | 22.2 | 4.5 |
| San Mateo | 119.6 | 38.3 | 110.4 | 44.4 | 110.8 | 88.6 |
| Santa Clara | 38.7 | 20.5 | 44.1 | 20.6 | 66.1 | 121.1 |
| Solano | 14.1 | 47.3 | 0.6 | 0.3 | 113.4 | 28.4 |
| Sonoma | 25.8 | 7.6 | 19.4 | 11.0 | 49.7 | 42.5 |

Source: San Francisco Chamber of Commerce,
San Francisco Business, March, 1967

FIGURE 1



SAN FRANCISCO CENSUS TRACTS: 1960

SOURCES:
SAN FRANCISCO DEPT. OF CITY PLANNING
DEVELOPMENT RESEARCH ASSOCIATES

no overcrowding--at least relative to an area such as Chinatown which has a population density in excess of 150 persons per gross acre. Indeed, there was a slight opening up or decrease in density in this area in the decade between 1950 and 1960 as the persons-per-acre declined slightly in this period by approximately three persons per acre (with the city as a whole experiencing an average decrease of 1.2 persons per acre). However, San Francisco is a dense city. Indeed, as Figure 2 shows, it has the second highest density of any major city.

## Family Characteristics

During the 1950's, San Francisco lost families but gained households. These were generally single people who shared a dwelling unit. San Francisco is very typical in this regard, as Figure 3 indicates. Thus, almost 40 percent of the total households in San Francisco are composed of single persons or two or more unrelated persons living together, while the comparable Bay Area statistic is about 25 percent, and the national figure even less. It can be seen that one person households grew quite extensively in the city in the period 1950-1960.

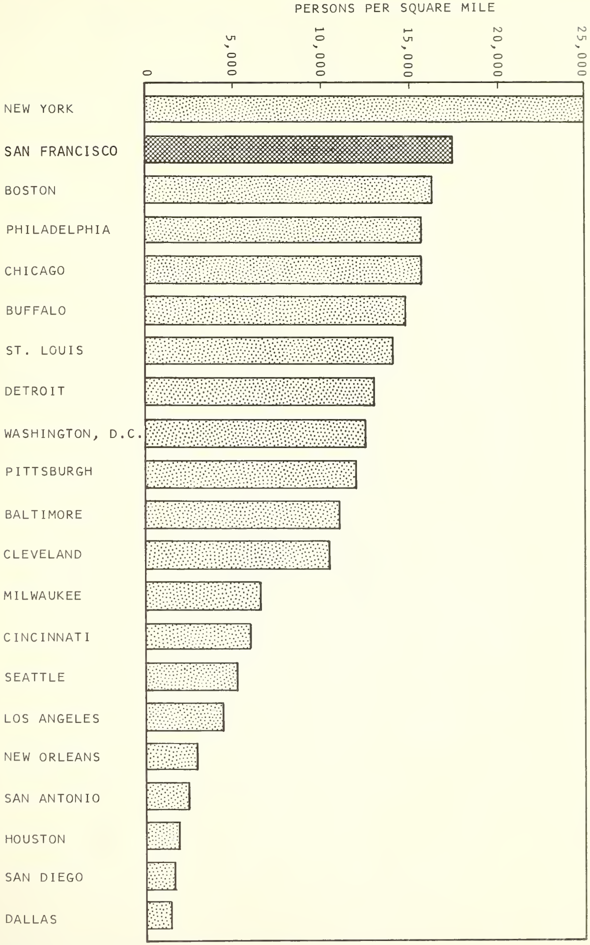
The Bayview-Hunters Point area is strongly family oriented--at least relative to other areas with San Francisco. This is because there are in excess of 81 families per 100 households living in this census tract--with the city averaging 62 families per 100 households, and with some areas such as those directly "South of Market" having less than 20 families per 100 households in 1960. On the other hand, this tract is but one of five in the city (out of almost 100 tracts) to record the highest household size. Thus, about 18 percent of the households had six or more persons per housing unit, and this statistic was only equaled in four other tracts. Contrary to the belief of some, in 1960 this area did not abound in single parent families. It was consistent with the city-wide average. Thus, 19 percent of the families in San Francisco were without the presence of both the mother and the father and the percentage in the study area of such families was approximately 15 percent.

## Incomes

The residents of the study area had a median family income of $4,846, while the comparable city average was $6,717. Similarly, although 21 percent of the families city-wide had yearly incomes of less than $4,000 in 1960, about 35 percent of the families residing in Hunters Point failed to have incomes exceeding $4,000 per year. Thus, the area's residents are relatively poor.

FIGURE 2

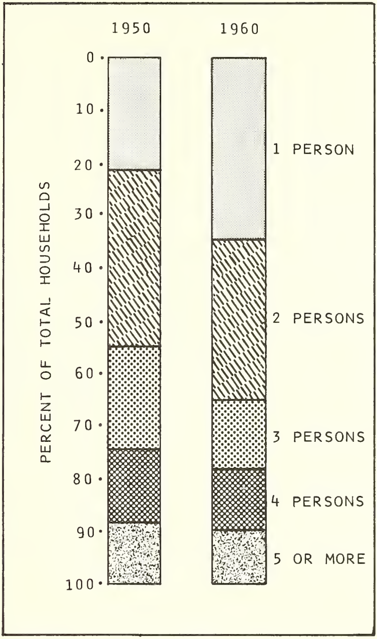
POPULATION DENSITY OF MAJOR UNITED STATES CITIES



SOURCE: STATISTICAL ABSTRACT OF THE UNITED STATES, 1963

FIGURE 3

# HOUSING CHARACTERISTICS IN SAN FRANCISCO
## 1950 AND 1960



SOURCE: U.S. BUREAU OF THE CENSUS

This idea is also reinforced by the fact that about 14 out of every 100 families with children in the area receive aid, while the city average is only 3 families per 100. Since there are very few older people in the area, however, old age assistance is relatively inconsequential.

San Francisco's income distribution is not typical of the other six Bay Area counties. This is illustrated in Figure 4. The Bay Area has more than twice as many families who earn over $7,000 per year than those who earn between $5,000-$7,000, whereas the comparable statistics for the city reveal that this difference is radically reduced. In either event, however, the income pattern and distribution of the Hunters Point residents is drastically different and skewed much more to the lower end of the income scale.

## Ethnic Composition

In 1960 San Francisco had on average a population which was 10 percent Negro and 8 percent other non-white. In the Hunters Point area at that time the comparable percentages were 65 percent Negro and 5 percent other non-white. Between 1950 and 1960 this area and the adjacent one to the south experienced a gain of approximately 2,000 non-whites and a decline or decrease of more than 15,000 Caucasians. Foreign born residents were scarce; indeed, this tract shares the distinction, along with six other tracts, of having the least foreign born per hundred population, with approximately 6 percent of the residents having their birthplace overseas. In contrast, Chinatown has over 60 percent foreign born.

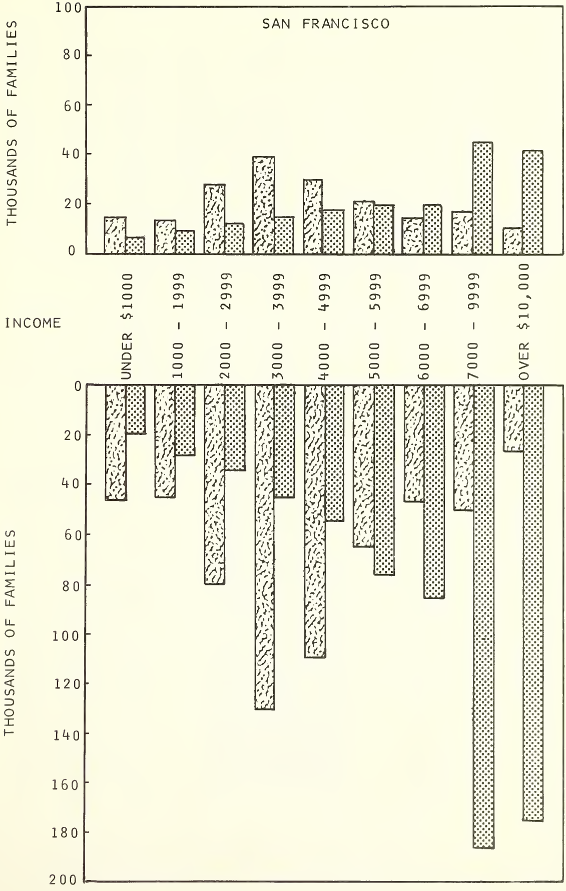
San Francisco's increase in non-white residents in this decade is in keeping with the experience of other central cities. This is shown in Figure 5 while Figure 6 depicts that San Francisco's rate of losing white population was slightly in excess of both the region's and the state's.

## Age and Education

Hunters Point has a relatively young population. Thus, whereas the City averages 24 percent of its population under 18 years of age, about 40 percent of the total population in the study area is found in that age category. Comparably, less than 5 percent of the area's residents were 65 years and over, while the City average was 13 percent in that age bracket. This suggests that the resident labor force is young and susceptible of acquiring new skills.

FIGURE 4

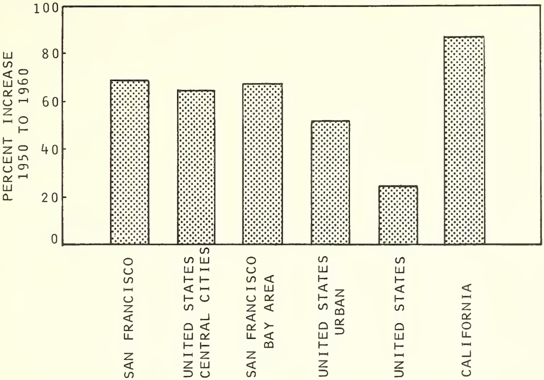
## INCOME CHARACTERISTICS IN SAN FRANCISCO AND THE SAN FRANCISCO BAY AREA 1950 AND 1960



SOURCE: U.S. BUREAU OF THE CENSUS, CENSUS OF POPULATION, 1950 AND 1960

FIGURE 5

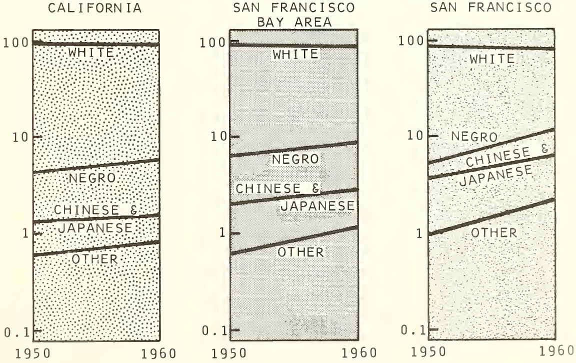
## NON-WHITE POPULATION AS A PERCENT OF TOTAL POPULATION



SOURCE: U.S. BUREAU OF THE CENSUS

FIGURE 6

## POPULATION BY RACE IN SAN FRANCISCO



SOURCE: U.S. BUREAU OF THE CENSUS
SAN FRANCISCO DEPARTMENT OF PUBLIC HEALTH,

Hunters Point area residents typically finished junior high school, while the typical San Franciscan has completed high school. The City average of median school years completed was 12.0, while the comparable figure for the Point was 9.4. Of the area's 9,118 persons over 25 years of age, only 823 had gone to college by 1960. And about 45 percent of the total had less than nine years of educational experience, while the comparable City figure was 31 percent.

## Other Characteristics

There are a number of statistics in which this area is just "in line" with City averages. In the instance of crime, for example, the Point had about 5.2 juvenile court cases per 100 persons (8-18 years of age), with the comparable City figure being 5.5. Similarly, the total offenses in 1960 per thousand population throughout the City was 68, while it was about 64 in the police district in which Hunters Point is located.

The area's residents are slightly more mobile than San Franciscans in general, and San Francisco has a population which is quite mobile relative to nationwide trends. Thus, in the area approximately 65 percent of the residents had changed their residence in the five-year period 1955-1960, whereas the comparable city statistic was 55 percent. In this period of time 13 percent of the city's population came to San Francisco from outside the Bay Area, while approximately 20 percent of the area's residents came from outside the area. To be more specific, about 7 percent of the Point's residents came from the south in this period of time, in contrast to the overall City statistic of 2.2 percent. Thus, the area's residents typically have come from the South in a fairly recent period of time and are younger and less educated than the typical San Franciscan.

A large number of forecasts have been made for San Francisco and the other eight counties. These studies have been made by State and Federal agencies as well as by universities and consulting companies. Table 4 reproduces these forecasts for the City. Examination of these data suggests that the estimates made by the Corps of Engineers for the City of San Francisco appear to be very unrealistic, although such is not the case on a regional basis. In general, most forecasts expect a slight increase in San Francisco's population in the period 1960-1980 with the 1980 estimate fluctuating from a low of 730,000 (BART) to a high of 829,000 (State of California) if we exclude the Corps projections. Such a range of estimates can easily be accounted for by different assumptions on birth rates and net migration rates. Since conservative rates appear to be currently dominant with respect to both items, we would expect a forecast that indicated a static or very modest increase to be a correct reflection of what is most likely to occur.

## Table 4
## SAN FRANCISCO COUNTY POPULATION ESTIMATES
(In Thousands)

| Year | Source | Actual | Forecast | | | | | |
|---|---|---|---|---|---|---|---|---|
| | | 1960 | 1967 | 1960 | 1970 | 1980 | 2000 | 2020 |
| 1959 | Corps of Engineers | 740 | 714 | 793 | 841 | 889 | 986 | 1,018 |
| 1962 | BART | 740 | 714 | -- | 730 | 730 | -- | -- |
| 1965 | University of California | 740 | 714 | -- | 724 | 733 | -- | -- |
| 1966 | State of California | 740 | 714 | -- | 793 | 829 | 864 | -- |
| 1966 | A. B. A. G. | 740 | 714 | -- | 760 | 815 | -- | -- |

Source: U.S. Army Corps of Engineers, Future Development of the San Francisco Bay Area, 1960-2020, prepared and published for the U.S. Army Engineer District, San Francisco, by the office of Area Development, Business and Defense Services Administration, December, 1959, pp. 17-18.

Bay Area Rapid Transit District, The Composite Report, Bay Area Rapid Transit, May, 1962 (projections by V. B. Stanberry, March 29, 1962), p. 77.

University of California, Center for Planning and Development Research: Institute of Urban & Regional Development, An Analysis of Interregional Migration in California (projections by Andrei Rogers, December, 1965), p. 46.

Department of Finance, Revenue and Management Agency, California Population Projections, 1965-2000, Sacramento, March 1966.

Association of Bay Area Government Forecasts, Preliminary Regional Plan, November, 1966, as reported in San Francisco Business, March, 1967, p. M-4.

## FUTURE POPULATION IN THE STUDY AREA

Within the framework of the preceding estimates of population for the Bay Area as a whole, Development Research Associates undertook a population projection of the South Bayshore Area, as a necessary part of the marketability analysis for the new Hunters Point community.

The primary basis for our estimates were school enrollment data and projections as these were available from the San Francisco Unified School District and Stanford Research Institute (SRI). The latter organization has conducted a comprehensive research study for the San Francisco Unified School District of alternative means by which racial imbalance in San Francisco's public schools might be diminished. In the course of this work, SRI projected school age population in the city of San Francisco. Our estimation approach has been to translate these forecasts to forecasts for the population as a whole. The results of this technique were then subsequently modified by residential building permit data in the South Bayshore Area, trends in mobility of the population, particularly that of white families out of the City and the steadily increasing use of parochial and private schools by white families who elect to stay in the City.

The results of these population estimates are shown in Table 5 below.

Table 5
PAST, EXISTING AND FUTURE POPULATION
SOUTH BAYSHORE AND SAN FRANCISCO, 1950-1980

| Year | South Bayshore | San Francisco | South Bayshore as a Percent of City |
|---|---|---|---|
| 1950 | 51,400 | 775,357 | 6.6% |
| 1960 | 37,486 | 740,316 | 5.0 |
| 1965 (est) | 41,000 | 725,000 | 5.6 |
| 1970 (est) | 46,400 | 745,000 | 6.2 |
| 1980 (est) | 53,100 | 752,000 | 7.0 |

Source: Development Research Associates

# EMPLOYMENT

San Francisco's economic base has been changing. Between 1960 and 1966 the total employment in the City and County of San Francisco increased by approximately 30,000 persons. While manufacturing employment declined by 6,500, finance, insurance and real estate activity added 6,000 employees during this period, a growth of almost 25 percent for this category of employment. Services, which increased by 20,000 persons, and government, which grew by 15,000, accounted for almost all of the remaining increase (see Table 6).

Table 6
EMPLOYMENT BY MAJOR INDUSTRY GROUPS
SAN FRANCISCO, 1966
(July 1, Thousands of Workers)

| Industry Group | 1960 | 1966 |
|---|---|---|
| Agriculture, Forestry, and Fisheries | -- | -- |
| Mining | 0.4 | 0.3 |
| Contract Construction | 19.8 | 20.7 |
| Manufacturing | 69.2 | 62.6 |
| Transportation, Communication and Utilities | 55.0 | 55.6 |
| Trade | 112.0 | 107.2 |
| Finance, Insurance, and Real Estate | 52.3 | 58.4 |
| Services | 95.5 | 113.1 |
| Government | 71.5 | 86.5 |
| All Other | 0.5 | 0.6 |
| Total | 476.2 | 505.0 |

Source: California State Department of Employment

Finance, insurance and real estate, service, and other non-manufacturing activities play a more important role in San Francisco's economy than in the state or national economies. Two of every three private sector jobs in San Francisco are in trade, finance, insurance and real estate, or service activities, whereas in California as a whole, one of every two jobs is in this category, and nationally just under one of every two jobs is in this category.

## EMPLOYMENT CHANGES

These employment figures themselves do not reveal the extent of the changes taking place. Within the trade sector, for example, wholesaling activity is growing rapidly in San Francisco, and retailing activity is declining. The number of wholesale establishments operating in San Francisco more than doubled between 1953 and 1962, a rate of increase well above that for the state as a whole. Employment in wholesaling activities increased by 21,870 persons between 1953 and 1962. Employment in retailing activities, on the other hand, declined from 82,839 to 51,506 over the same period. The number of retail establishments in San Francisco decreased by 36.6 percent, while the number of such establishments in the state remained about constant.

Within manufacturing, some significant changes have been taking place as well. Paper and allied products, printing, publishing and allied industries, and stone, clay and glass products have experienced fairly large relative increases in employment, while the other manufacturing sectors declined or grew but slightly.

### Business Establishments

While total employment in the City has increased, between 1953 and 1966, the latest year for which such data are available, the number of business establishments operating in the City and County of San Francisco declined from 23,384 to 21,337, a net loss of over 2,000 establishments. The decline in number of establishments operating in San Francisco was especially large between the years 1953 and 1958; since the latter year, there has been a slight increase in the number of establishments. Since employment has been increasing throughout this period, it is not surprising that the number of workers per establishment, or in short, the average size of establishments, has been increasing. Indeed, this increase in average employment per establishment has offset the decline in total employment which would otherwise have occurred as a result of the reduction in number of establishments reported operating in the City.

### Employment Distribution

Within the City itself, some important changes have been occurring in the distributing of employment. Between 1959 and 1963, for example, losses in employment occurred in five of the eleven census areas and gains were made

in the remaining six. The most significant gains occurred in the services sector with areas east of Van Ness and south of Market Street exhibiting the most significant gains.

In the area surrounding the proposed Butchertown Industrial Park there are approximately 35,000 jobs, which is an increase of about 5,000 in the past ten years. Of these persons, approximately 10,000 are currently engaged in manufacturing pursuits, while a comparable number are employed by wholesale and retail trade concerns. Contract construction accounts for about 5,000 employees and services about 2,000. The remaining 8,000 persons are employed in a variety of other jobs.

## LABOR FORCE CHARACTERISTICS

This part of the report analyzes the characteristics of the existing labor force in terms of skills offered, age, current labor rates, extent of unionization, and unemployment. Unless otherwise noted, this analysis is restricted to sectors of the economy which would be apt to locate within the Butchertown Industrial Park. Therefore, attention will be directed toward persons who are in the manufacturing, warehousing, wholesaling, and distributive industries and not to the construction trades or building industry. Moreover, information on the labor force is generally not available for San Francisco or specific subsections within the City, and therefore, unless otherwise noted, this information pertains to the five-county labor market area of San Francisco, Alameda, San Mateo, Marin, and Contra Costa Counties.

### Skills

In its newsletter, Surplus and Shortage Occupations, the Department of Employment of the State of California writes with reference to the San Francisco-Oakland labor market area:

> "Throughout the five-county metropolitan area supplies of professional and technical workers, machinists, and other highly skilled journeymen are meagre. Accelerated demand can exhaust the remaining supplies in many occupational specialties and particularly in the structural design phase of heavy industrial and commercial construction and of workers in electronics research and manufacturing. Professional and technical workers in the health and welfare field are in short supply."

This report goes on to indicate those occupations for which there is a demand, balance, and surplus in the Bay Area. We reproduce their findings in Table 7.

Table 7
SHORTAGES AND SURPLUSES OF OCCUPATIONS
FIVE-COUNTY BAY AREA, 1967

| Demand Exceeds Supply | Supply Exceeds Demand | Balance |
|---|---|---|
| Electrical Engineer M | General Clerk Ⓜ | Mechanical Engineer M |
| Electronics Technician M | Porter Ⓜ | Duplicating Machine Operator Ⓜ |
| Electrical Draftsman M | Janitor Ⓜ | Hand Presser Ⓜ |
| Civil Engineer M | Heavy and Light Truck Driver Ⓜ | Shirt Presser Ⓜ |
| Mechanical Draftsman M | | Truck Mechanic Ⓜ |
| Typist, and Clerk Typist Ⓕ | | Auto Mechanic Ⓜ |
| Secretary and Stenographer Ⓕ | | Diesel Mechanic M |
| Machinist M | | Maintenance Mechanic Ⓜ |
| Tool and Die Maker M | | Boilermaker M |
| Combination Welder M | | Auto Body Repairman Ⓜ |
| | | Arc Welder M |
| | | Heliarc Welder M |
| | | Acetylene Welder M |
| | | Stationary Engineer Ⓜ |

Source: State of California, Department of Employment, Surplus and Shortage Occupations, Bulletin DE3878 (4-65)

It would appear that there is a consistent shortage of machinists and tool and die workers. The implications of this situation are discussed more fully in the next section. It seems, however, that these shortages are not endemic to the San Francisco area, but pertain throughout the state and nation. In view of the long number of years required to enter these fields, the protective unions, and the innate skills and learning capacity that is required of the apprentice worker in these trades, training the unemployed residents surrounding Butchertown and teaching them the necessary skills to enter this field would not appear to be very promising.

## Age

Table 8 statistics of the work force suggest that not only will the labor force (and each age segment of it) increase in the future, but also that the age

categories under 24 will rise from less than 16 percent of the total labor force to almost 19 percent. Similarly, the proportion in the over-65 category and in the 25-44 category will be reduced.

Of more interest than the change in the age distribution over time, perhaps, is the fact that the age distribution of those not employed is quite different from that of employed persons--or at least those in the labor force--according to the data we have. On the basis of new unemployment claims in San Francisco County in a typical recent month (September, 1967), it would appear that the proportion of those seeking work who are under 21, and those who are looking for work who are over 65 are almost double the proportion of the work force in those categories. That is to say, the serious unemployment exists--at least on a relative basis--amongst the younger and older elements of the work force. Table 8 reveals this tendency clearly.

Table 8
PERCENTAGE OF WORK FORCE ENGAGED AND UNEMPLOYED BY AGE

| Age Category | Unemployed[1] | Employed[2] |
|---|---|---|
| 14-21 | 13.5% | 6.9% |
| 22-44 | 49.2 | 54.4 |
| 45-64 | 30.8 | 35.1 |
| 65-over | 6.5 | 3.6 |
| Total | 100.0% | 100.0% |

[1] Unemployed are those making new unemployment claims in the City of San Francisco during the month of September, 1967.

[2] Employed is assumed to be the same as the labor force given for 1970 in the preceding table. This refers to a six-county area. Note also that the first age category has been slightly changed.

Source: State of California, Department of Employment, Research and Statistics Section

Current Labor Rates

Existing labor rates in San Francisco and the Bay Area are not only very high, but have been increasing rapidly. Moreover, such a generalization appears to apply to almost every industry and occupation, and is reinforced if a union is present in the particular facility.

In 1966 the typical production worker in a manufacturing activity had an average weekly earning of $136.80 if he worked in the San Francisco area and less than $128.93 if he worked elsewhere in the state. On a hourly basis the comparable figures are $3.42 for the Bay Area employee and $3.16 for the Californian. Appendix A-1 presents this information for 37 separate industries. In only three instances were both the average weekly and hourly earnings of the typical Californian higher than for the typical Bay Area employee. These three industries were the lumber and wood products industry (not significant in the Bay Area and pulled up elsewhere by the workers in the northern lumber producing counties), the bakery products industry, and the rubber and miscellaneous plastic industry, which is also not significant in the Bay Area.

Appendix A-1 also shows that in the Bay Area the average manufacturing earnings slightly exceeds those in the wholesale trade, and amongst manufacturing industries durable goods exceeds non-durable goods in terms of earnings. The manufacturing industry with the highest average weekly earnings is ship and boat building ($166.86), followed by petroleum refining ($156.31), printing and publishing ($156.16), beverages ($153.27), and transportation equipment ($151.29).

In the five-year period 1962-1967 weekly earnings have increased in the Bay Area by about $20 for those engaged in manufacturing activities. On a yearly basis this approximates a $1,000 increase or a rise of $200 per annum. This change affects different occupations in varying ways. It would appear that the less skilled employees have not enjoyed the same rate of increase as their more skilled brethren. This is revealed in Table 9, which also indicates that on an hourly basis the difference in wage scales in the San Francisco area is between 10¢ and 30¢ higher than in the greater Los Angeles region.

The Bay Area is a "strong" union area. Examination of a large number of union contracts for San Francisco has indicated that each contract provides for an annual escalation, and so the wage rates prevailing today will not be extant when the Industrial Park opens. Moreover, these contracts disclose that within each industry there are separate and distinct wages paid to each occupation. There are also differentials based on sex, shift, and seniority.

## Table 9
## HOURLY WAGE RATES FOR REPRESENTATIVE INDUSTRIAL OCCUPATIONS SAN FRANCISCO AREA, 1962-1967 AND LOS ANGELES AREA, 1967

| Occupation | Mean Wage Rates per Hour: San Francisco 1962 | San Francisco 1967 | Los Angeles 1967 |
|---|---|---|---|
| Laborers | $2.54 | $3.18 | $2.66 |
| Tool and Die Makers | 3.65 | 4.29 | 3.90 |
| Maintenance Electricians | 3.38 | 3.93 | 3.79 |
| Maintenance Machinists | 3.38 | 3.94 | 3.84 |
| Janitors, Porters, Cleaners | 2.42 | 2.76 | 2.53 |
| Power Truckers (forklifters) | 2.71 | 3.08 | 2.94 |

Source: U.S. Department of Labor, Bureau of Labor Statistics, 1962 Occupational and 1967 Area Wage Surveys, Bulletins 1465-43, 1303-37, 1530-65, 1530-36.

Appendix A-2 indicates the typical current labor rates in these contracts for the following representative industries which could locate within the Butchertown Industrial Park: chemical, machinery, electrical machinery, butcher, bakery, typographical, paper box and planing mills and cabinet workers.

### Extent of Unionization

That the San Francisco Bay Area is a "strong" union region is brought out in Table 10, which shows that almost 58 percent of the employees in this labor market area belong to unions, whereas the comparable statewide statistic is only 40 percent. The Bay Area union participation figure is higher than the accompanying state membership figure in eight out of the ten detailed industries. Thus only in food processing and transportation equipment manufacturing do we find union membership ratios lower in this area than in the state. The industry with the highest extent of union participation is the lumber and furniture and fixture industry. Approximately 85 percent of the employees engaged in this activity belong to unions. Other industries with unusually high participation ratios are the paper and allied products sector (82 percent), printing and publishing (65 percent), and metals and machinery (63 percent).

## Table 10
## COMPARATIVE PARTICIPATION IN UNIONS IN MANUFACTURING INDUSTRIES: SAN FRANCISCO BAY AREA AND CALIFORNIA, 1965-1966
(In Thousands)

| Industry | San Francisco | | | California |
|---|---|---|---|---|
| | Total Number of Workers | Union Members | | Union Members |
| | | Number | Percent of Total | Percent of Total |
| Food and Kindred Products | 37.1 | 21.7 | 58.6% | 83.5% |
| Textile and Apparels | 9.5 | 4.0 | 42.3 | 25.3 |
| Lumber and Furniture | 6.8 | 5.8 | 85.4 | 44.8 |
| Paper and Allied Products | 8.3 | 6.8 | 82.0 | 65.4 |
| Printing and Publishing | 19.9 | 13.0 | 65.3 | 38.8 |
| Petroleum, Chemicals, Rubber and Leather | 25.3 | 7.4 | 29.2 | 25.6 |
| Stone, Clay, and Glass | 8.5 | 4.3 | 50.7 | 37.7 |
| Metals and Machinery | 70.3 | 45.5 | 63.3 | 29.3 |
| Transportation Equipment | 15.9 | 8.0 | 50.4 | 57.4 |
| Other Manufacturing | 4.1 | 0.7 | 17.1 | 18.6 |
| Total Manufacturing | 205.7 | 118.7 | 57.5% | 39.8% |

Source: State of California: Department of Industrial Relations, Division of Labor Statistics and Research, Union Labor in California, 1966 (June, 1967), California Labor Statistics Bulletin No. 517-A (August, 1967); Economic Report of the Governor, 1967 (Table A-9)

Industries which are not heavily unionized include the conglomerate comprised of the petroleum, chemical, rubber, and leather workers (29 percent) and the other manufacturing workers, which is composed of workers engaged in producing instruments and related products as well as miscellaneous manufacturing (17 percent).

Contrary to popular belief, however, union membership in this region has been declining on a relative basis. In 1954, union membership in all economic activities in this region numbered 455,000 or 52 percent of the total manufacturing and non-manufacturing employment of 878,600. In 1966 the total union membership reached 481,000, but this comprised only 42 percent of the total employment of 1,125,200. Of course, one reason for this decline has been the change in character of the employment. When we consider only manufacturing activities, this decrease in participation becomes even more dramatic. This is expressed in Table 11, which indicates that union membership in manufacturing activities has declined by 3 percent in the period 1962-1966. During this period, however, total manufacturing employment rose by 4 percent. Review of national statistics indicates that this decline of unionization is not limited to the Bay Area, but has occurred throughout the country.

A comparable decrease may also be noted in the change in union membership as a percent of total employment during this period. Thus, in 1962 union membership represented 60.5 percent of all employment in manufacturing employment. By 1966 this statistic had declined by 3 percent to 57.5 percent. This relative decline applied to seven of the ten industries. Only: (a) lumber and furniture and fixtures; (b) transportation equipment; and (c) paper and allied products increased their ratio of union membership to total employment in this five-year period. The two sectors which appeared to lose the largest percentage of their union membership during this period were: (a) the food and kindred products processing industry; and (b) the metals and machinery industry. Since these two industries account for more than 55 percent of the total employment in the region, the declines in union membership in these two activities are extremely significant. Furthermore, these are indicative of the type of labor intensive industry that is to be sought for the new Butchertown Industrial Park.

## Unemployment

In August, 1967, 61,400 persons were unemployed in the San Francisco labor market area. This represents 4.5 percent of the civilian labor force, and on a seasonally adjusted rate the employment rate is 4.7 percent. These unemployment figures represent a slight increase (3,200, or 0.1 percent) over the

Table 11

CHANGE IN UNION MEMBERSHIP
SAN FRANCISCO BAY AREA, 1962-1966
(In Thousands)

| Industry | 1962 |  | 1966 |  | 1962-1966 Percent Change |  |
|---|---|---|---|---|---|---|
|  | Number of Members | Percent of Total | Number of Members | Percent of Total | Membership | Employment |
| Food and Kindred Products | 27.7 | 69.7% | 21.7 | 58.6% | -22 | - 8 |
| Textiles and Apparel | 4.0 | 44.8 | 4.0 | 42.3 | -- | - 6 |
| Lumber and Furniture | 5.7 | 84.0 | 5.8 | 85.4 | - 2 | -- |
| Printing and Publishing | 13.6 | 68.0 | 13.0 | 65.3 | - 4 | - 1 |
| Petroleum, Chemicals, Rubber and Leather | 7.8 | 32.2 | 7.4 | 29.2 | - 5 | -18 |
| Metals and Machinery | 46.1 | 73.8 | 45.5 | 63.3 | - 1 | +12 |
| Transportation Equipment | 6.2 | 43.0 | 8.0 | 50.4 | +29 | +10 |
| Paper and Allied Products | 6.2 | 72.3 | 6.8 | 82.0 | + 1 | - 4 |
| Stone, Clay, and Glass | 4.4 | 56.5 | 4.3 | 50.7 | - 2 | + 9 |
| Other Manufacturing | 0.8 | 17.3 | 0.7 | 17.1 | -12 | +12 |
| Total | 122.5 | 60.5% | 118.7 | 57.5% | - 3 | + 4 |

Source: Table 12; California Statistical Abstract, 1963; and Union Labor in California, 1962

comparable data for August, 1966. Contrasted to a total employment figure of 1,298,800, the Department of Employment of the State of California has termed this "an area of moderate unemployment". Between 1960 and 1966 the annual unemployment rate in the area fluctuated between 4.4 percent (1966) and 5.9 percent (1961). The median value of this seven-year period was 5.2 percent. In each of these years, however, the unemployment rate in the Bay Area was less than the comparable figure for the state (5.9 percent median value), which suggests that the unemployment rate is traditionally higher elsewhere in the state than it is in the San Francisco-Oakland area. In August, 1967, for example, the state's unemployment rate was 4.9 percent on an unadjusted basis and 5.2 percent on a seasonally adjusted base. On a monthly basis in absolute numbers, during the nine-year period 1958-1966; the unemployment varied between a low of 41,300 in September, 1959 to a high of 78,900 in January, 1965. This suggests that there has been a wide range--indeed, almost a doubling in the number of those unemployed--in a brief period of time.

By Race: In September, 1967, Negroes constituted approximately 10 percent of the civilian labor force in San Francisco. In the same month, however, they made about 15 percent of the total new claims for unemployment compensation. Similarly, whites, which represented about 80 percent of the labor force, accounted for 60 percent of the new claims (the difference being accounted for by other non-whites). During this month new unemployment claims by females were 48 percent of the total, while they accounted for only 38 percent of the labor force. Non-whites account for about one out of four of all unemployed persons. Recently, when 5.5 percent of the Bay Area labor force was unemployed, the comparable statistics for non-white men was 11.3 percent and 11.0 percent for non-white females.

By Industry: In August, 1967, in the City of San Francisco, about 2,000 persons were unemployed who had experience in the fabrication occupations, of the textile and leather repair industries, and about 1,800 persons who had previously been employed in the food processing industry. About 1,300 persons who were experienced bench workers were also seeking employment, as were slightly more than 1,000 persons who were familiar with the machine trades. Other industrial occupations which possessed sizable pockets of unemployment included the metal machine workers (235), maintenance mechanics (360), and wood machinists (100).

During the month of July, 1967, unemployment compensation was paid to 24,676 individuals in the five-county area. Of this number about one-third (7,806) were classified as emanating from the manufacturing industries. The industry with the largest number of claimants was food and kindred products (3,076), followed by transportation equipment (852), and apparel products (639). No other industries were especially significant in terms of their unemployment insurance payments.

## EMPLOYMENT CHARACTERISTICS IN THE STUDY AREA

Employment patterns in the study area are also much different from San Francisco's which is quite similar to the job distribution in the neighboring counties. Statistics indicate that the unemployment in the Hunters Point area is not only high relative to San Francisco, but is high in comparison to the rate extant in the other Bay Area communities. Similarly, the occupation distribution in the area is not typical of either San Francisco or that of the Bay Area. Almost 27 percent of the male force were employed as laborers, while the comparable figure for both the City and the region was less than 5 percent in 1960.

In 1960, 67 out of every 1,000 males and 54 out of 1,000 females in the civilian labor force in San Francisco were unemployed. In the Hunters Point area the comparable figures were 116 and 116. Thus the male unemployment rate was almost double and the female unemployment rate was triple the city norms. As might be expected, less than 5 percent of workers held professional and technical jobs, with the vast majority of the 5,579 workers being engaged in blue collar service work as well as labor and operative occupations. Almost 18 percent (or 353) of the females worked outside the area as private household workers. Consquently, more than 10 percent of the employed residents worked outside San Francisco, and many of these were maids in private households in Millbrae, Burlingame and other Peninsula communities. The predominant male was engaged in a laboring occupation; 951 out of the 3,586 males were so employed.

Underemployment is less well documented. However, in 1966 a special survey of ten poverty areas including the Fillmore-Mission area in San Francisco was made which gathered information on subemployment[1].

In the Fillmore-Mission area the subemployment rate was 25 percent, or one in every four residents, who either was employed or wanted to be, was earning below the poverty level (approximately $3,000) or jobless.

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[1] The study was conducted by the United States Department of Labor and cooperating State agencies.

# INDUSTRIAL REAL ESTATE DEVELOPMENT

## HISTORICAL DEVELOPMENT OF INDUSTRIAL REAL ESTATE IN SAN FRANCISCO AND THE BAY AREA

An historical review of the development of industrial real estate in San Francisco and the Bay Area can be divided into an analysis of both planned and unplanned developments. We will review both types of development below.

### Unplanned Development

The geographical generality known before 1848 as the Bay of San Francisco gave a name and location to the town which was set up to supply the miners. At first, most such activity took place within San Francisco itself, but as the Gold Rush became industrial in nature--demanding specialized machinery--other locations around the Bay began to be developed. In San Francisco the original business sites were near Grant Avenue and Clay Street. Later the business community moved down off the Clay Street hill; finance to Montgomery Street, while the wholesalers set up the City's first wholesaling district adjacent to the earliest wharves.

Wholesaling: Trade in perishable goods tended to remain at the wharfhead location, while the activities of wholesalers whose goods could be stocked for some time shifted to the area south of Market Street by the 1870's. The result was the creation of the produce district east of Sansome Street--which was only replaced in 1963--and the general wholesale district between China Basin and Mission Street.

The Southern Pacific Railroad provided street running rail connections for the wholesaling-light manufacturing district south of Howard Street after the line to San Jose opened in 1864. The newer wholesale establishments spread southwestward toward the railroad's terminus in the City at Third and Townsend Streets.

Manufacturing: In the 1850's the City began to make things for the mining concerns being set up in the Mother Lode, and the mine and mill supply factories made up San Francisco's first industry. As might be expected, once industry came to San Francisco it sought sites rather different in nature from those used by the early merchants.

An analysis of historical industrial land patterns indicates that industry continues to locate where it began in the early years, along the west side of the Bay in San Francisco. This area is almost exclusively along the waterfront--south of Market Street and east of the James Lick Freeway. It comprises not more than one-third of the City.

Expansion from the City: The industrial areas did, however, soon outgrow this cradle. An example came with the move, in 1855, of the Selby smelter and cartridge factory from Harbor View near Fort Mason in San Francisco to an isolated point on the Contra Costa shoreline. Less a product of neighborhood squabbles was the move of the foundries from the shore belt in San Francisco to more roomy sites near Hunters Point, and to Oakland.

Although mining machinery was the "seed industry" for San Francisco in metal fabrication, the making of agricultural machinery began early and became very important with the big development of "industrial agriculture" in the 1870's and 1880's. Wheat to begin with, and later fruit growing for drying, canning, and for wine, led to a demand for specialized machinery that could not easily be brought from the East. The agricultural machines tended to be devised and first fabricated near the fields where they were used. This introduced a force leading to the location of these newer metal working industries away from San Francisco.

This development of interior sites with ties to ocean shipping is in rather sharp contrast to the early mercantile stage of Bay Area economic history. Then, the ocean going ships unloaded at San Francisco's wharves and paddle boats forwarded the goods to the mines. But toward the end of the nineteenth century trade dropped off as competition increased from the railroad to the east.

The economic development of California did, however, furnish an incentive for the growth of specialized "factory ports" where a single plant received in nearly continuous flow certain raw materials of great bulk. Thus, the Bay Area was dotted along the bayshore with plants.

The "factory ports" still need rail connections for the out-movement of their product. The typical arrangement was to seek a site where deep water and a rail line came relatively close together, as on the shores of Carquinez Strait or Point Richmond. The Ideal Portland Cement Company at Redwood City, the California and Hawaiian Sugar Company at Crockett, Union Oil at Oleum, Shell at Martinez, or Standard Oil at Point Richmond have such locations.

## Planned Development

The Second World War was, in many ways, the "take off" period for the Bay Area. The production of war material and the staging operations carried on here brought an economy and consumption pattern that departed sharply from the classic California pattern. Most of the industries entering the area were desirous of modern plants and paid high wages. In electronics, missiles, research and development, and other typically Bay Area industries, there was so little association with pre-war industrial sites that the emphasis in plant location became peripheral rather than central.

As a result of this evolution of industrial location, the Bay Area today comprises several industrial realms rather than a single core. The existence of the Bay has always given the embarcaderos nearly equal access to the sea, leading industry to disperse widely over the area. Recent plant locations, such as electronics at Palo Alto, missile development at Sunnyvale, business machines at San Jose, atomic development at Livermore have accentuated the industrial real estate pattern of long duration. These new plants are so far from the core cities that they exist in closed or nearly self-contained journey to work areas.

Planned Industrial Districts: The first planned industrial area in the region was developed in 1950 in Richmond by the Santa Fe Railroad. This area, known as Shipyards No. 2 and 4, was the site of the construction of the Liberty Ships during World War II by Kaiser Shipyards. The first planned industrial district in the Bay Area was also developed by a railroad[1]. This district is the 256-acre tract known as the Southern Pacific Industrial District in Newark. The Southern Pacific Railroad opened its second industrial district in 1955 in Union City and a third one a year later in Santa Clara County. These have met with varying degrees of success. A list of some of the developed industrial parks and districts and the year in which they opened is given in Table 12.

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[1] An industrial park by definition has the following attributes: (1) land must be graded for use, (2) streets and all utilities, including industrial railroad tracks, if required, must be installed or committed; (3) land use controls must be defined by deed or lease restrictions or by local zoning ordinances; (4) architectural regulations must correspond to the type of classification of the area, e.g., light, medium, or heavy industry. An industrial district, on the other hand, does not possess all of these requirements but is available for industry.

## Table 12
## BAY AREA DEVELOPED INDUSTRIAL PARKS AND DISTRICTS

| Year Established | City | Name | Size in Acres | Percent Occupied |
|---|---|---|---|---|
| 1948 | Menlo Park | Bohannon Industrial Park | 200 | 69% |
| 1950 | Richmond | Shipyard No. 4 Area | 132 | 52 |
| 1950 | Richmond | Shipyard No. 2 Area | 250 | 20 |
| 1951 | Palo Alto | Stanford Industrial Park No. 1 | 450 | 97 |
| 1952 | Newark | Southern Pacific Industrial District | 256 | 90 |
| 1953 | San Mateo | Millsdale Industrial Park | 140 | 100 |
| 1954 | San Jose | Western Pacific San Jose Industrial Park (Tract 5) | 114 | 74 |
| 1954 | Sunnyvale | Oakmead Industrial Park | 590 | 8 |
| 1954 | San Jose | Western Pacific San Jose Industrial Park (Tract 5) | 114 | 26 |
| 1954 | Richmond | Galvin Industrial Park | 72 | 100 |
| 1955 | Palo Alto | Palo Alto Industrial Park | 67 | 73 |
| 1955 | Union City | Southern Pacific Industrial Park | 222 | 33 |
| 1956 | South San Francisco | South San Francisco Industrial Park | 200 | 79 |
| 1956 | Fremont | Southern Pacific Fremont Industrial Park | 595 | 24 |
| 1956 | San Lorenzo | Bay Center Industrial Park | 120 | 42 |
| 1957 | Concord | Buchanan Industrial Park | 110 | 100 |
| 1957 | Palo Alto | Kavanaugh Industrial Park | 100 | 40 |
| 1957 | Santa Clara | San Ysidro Industrial Park | 15 | 98 |
| 1959 | San Leandro | Brookvale Industrial Park | 55 | 5 |
| 1959 | Sunnyvale | International Science Center | 130 | 75 |
| 1959 | Burlingame | East Millsdale Industrial Park | 105 | 95 |
| 1959 | Brisbane | Crocker Industrial Park | 225 | 51 |
| 1960 | Sunnyvale | Nearon-Schnieder Industrial Park | 55 | 36 |
| 1960 | Mountain View | Ellis-Middlefield Industrial Park | 130 | 100 |
| 1960 | Mountain View | Mountain View Industrial Park | 56 | 20 |
| 1960 | Santa Clara | Kifer Industrial Park | 18 | 67 |
| 1960 | Santa Clara | Nicholson Industrial Park | 28 | 75 |
| 1960 | San Jose | Parrott Industrial Park | 44 | 32 |
| 1960 | San Jose | Skyport Center | 90 | 33 |
| 1960 | Fremont | Western Pacific Fremont Industrial Park | 116 | 17 |
| 1960 | Hayward | Western Pacific Central Bay Industrial Park | 500 | 35 |
| 1960 | Oakland | Oakland Industrial Park | 20 | 67 |
| 1960 | Oakland | Port of Oakland Industrial Park | 250 | 72 |
| 1960 | Concord | Concord Industrial Park | 70 | 90 |
| 1960 | Corte Madera | Fifer Industrial Park | 22 | 59 |
| 1961 | Sunnyvale | Pursely Industrial Park | 30 | 60 |
| 1961 | Cupertino | Vallco Park | 265 | 46 |
| 1961 | Hayward | Pauly-Herziger Industrial Park | 96 | 70 |
| 1961 | Vallejo | Yolano Industrial Park | 45 | 67 |
| 1962 | Sunnyvale | East Sunnyvale Industrial Park | 102 | 53 |
| 1962 | Pittsburg | Stoneman Industrial | 45 | 25 |
| 1962 | Richmond | Hensley Industrial District | 45 | 25 |
| 1962 | Richmond | Southern Pacific Industrial District | 23 | 30 |
| 1962 | Sunnyvale | Peery Industrial and Business Center | 75 | 40 |
| 1962 | Santa Clara | Airport Industrial Park | 85 | 98 |
| 1962 | San Jose | Swenson Industrial Park | 30 | 50 |
| 1962 | San Jose | Western Pacific Industrial District (Tract 10) | 14 | 21 |
| 1962 | Burlingame | Anza Airport Industrial Park | 155 | 2 |
| 1962 | South San Francisco | Person Swanson Industrial Park | 38 | 100 |

Table 12 (Cont'd)

| Year Established | City | Name | Size in Acres | Percent Occupied |
|---|---|---|---|---|
| 1962 | San Leandro | West Avenue 137 Industrial Park | 43 | 84 |
| 1962 | San Rafael | Northgate Industrial Park | 60 | 92 |
| 1963 | San Jose | McLaughlin Industrial Property | 30 | 33 |
| 1963 | Fairfield | Fairfield Industrial Park | 44 | 57 |
| 1963 | Santa Clara | Bertolotti Industrial Park | 25 | 74 |
| 1964 | Sunnyvale | Justin Jacobs Industrial Park | 60 | 25 |
| 1964 | Sunnyvale | Moffett Park | 622 | 9 |
| 1964 | Palo Alto | Embarcadero Industrial Park | 10 | 40 |
| 1964 | South San Francisco | Cabot, Cabot & Forbes Industrial Park | 600 | 33 |
| 1964 | Emeryville | Emeryville Industrial Park | 28 | 100 |
| 1964 | Hayward | Seaver Industrial Park | 44 | 95 |
| 1964 | San Leandro | San Leandro Industrial Park No. 1 | 27 | 85 |
| 1964 | San Leandro | Marina Faire Industrial Park | 40 | 37 |
| 1964 | Concord | Shary Industrial Park | 35 | 66 |
| 1964 | Novato | Hamilton Industrial Park | 20 | 40 |
| 1964 | Santa Rosa | Maxwell Industrial Park | 14 | 58 |
| 1965 | San Jose | South Pacific North San Jose Industrial Park | 236 | -- |
| 1965 | San Mateo | Foster City Industrial Park | 52 | 38 |
| 1965 | Oakland | Peralta Oaks Research Park | 32 | 15 |
| 1965 | San Ramon | San Ramon Industrial Park | 474 | 15 |
| 1965 | Union City | Southern Pacific Union City Park | 222 | 12 |
| 1965 | Concord | Meridian Industrial Center | 125 | 40 |
| 1965 | Benicia | Benicia Industrial Park | 2,200 | 23 |
| 1966 | Santa Clara | Western Pacific Milpitas Industrial Park | 150 | -- |

Source: Industrial Development and Manufacturing Records, February, 1967;
Coldwell Banker & Co.: Development Research Associates

## INDUSTRIAL ACREAGE ABSORPTION IN THE BAY AREA

Data concerning the amount of land in industrial usage in the Bay Area and its subparts over time is generally non-existent or of questionable quality. The Bay Area Transportation Study has taken a land use inventory which will delineate the amount of land in various uses in the nine Bay Area counties, but this survey covers only one year--1963--and thus it cannot show trends or changes in land use.

Statistical measurement of industrial land absorption is also complicated by the fact that a great deal of industrial land is in an agricultural use at the time of original sale and subsequently rezoned for industrial purposes. Similarly, much of the land currently designated for industrial use may never be so actually used. As is pointed out in the subsequent section this is true not only of general industrially zoned land, but also, in some cases, of land advertised as planned industrial parks.

In order to avoid these difficulties in statistical measurement, we have taken what we regard to be the most reliable surveys on land use in the Bay Area at two separate time periods. It should be realized that these inventories were conducted by different institutions, using different methods, and possibly slightly different definitions. For this reason comparisons between these two surveys should be made with caution. Nevertheless, these data are of sufficient validity to indicate grossly the change in industrial land use which has been taking place in the various counties of the Bay Area in the past 15 years. As Table 13 shows, Santa Clara County appears to have had the largest growth in industrial land, in gross acres, on both a relative and absolute basis, while San Francisco has enjoyed a more modest increase. The overall annual absorption appears to be in the vicinity of 10 percent, due primarily to Santa Clara County's growth. In this period, according to these data, San Francisco' industrial growth in land was roughly 70 acres per annum, or 3 percent per year.

This increase is brought into more focus through reference to data gathered and published by the San Francisco Department of City Planning[1]. Whereas, City Planning's data relate to net rather than gross industrial acreage, the findings show that the area in which Butchertown Industrial Park is to be located has experienced the largest absolute increase of industrial land growth of any area in the city. Moreover, most of the other areas of San Francisco have been losing industry, with the greatest loss taking place in the area east of Sansome Street due to the Golden Gateway Redevelopment project. Whereas

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[1] San Francisco Department of City Planning, The Use of Land in San Francisco, October, 1964.

### Table 13
### CHANGE IN LAND USED BY INDUSTRY BAY AREA COUNTIES, 1947-1949 TO 1964-1965
(Gross Acres)

| County | 1947-1949 | 1964-1965 | Change | Annual Change[1] Acres | Annual Change[1] Percent |
|---|---|---|---|---|---|
| Alameda | 9,032 | 9,748 | 716 | 48 | 0.53% |
| Contra Costa | 7,790 | 9,198 | 1,408 | 94 | 1.24 |
| Marin | 634 | 162 | -- | -- | -- |
| Napa | 252 | 400 | 188 | 12 | 4.81 |
| San Francisco | 2,195 | 3,261 | 1,066 | 71 | 3.24 |
| San Mateo | 3,447 | 3,832 | 385 | 26 | 0.08 |
| Santa Clara | 2,097 | 21,714 | 19,617 | 1,304 | 62.35 |
| Solano | 486 | 325 | -- | -- | -- |
| Sonoma | 425 | 16,325 | 15,900 | 1,060 | -- |
| Total | 26,358 | 65,005 | 38,647 | 2,576 | 10.37% |

[1] The base for the annual change was the 15-year period 1949-1964.

Source: 1947-1949: Robert P. Danielson, Industrial Location in the San Francisco Bay Area (Bay Area Council, 1949), pp. 46-49.
1964-1965: Center for Real Estate and Urban Economics, University of California, unpublished data, 1967

total industrial land has increased during the past 15 years in San Francisco, land used for heavy industrial purposes has decreased. Most of this decrease has taken place in the area "south of Market". On the other hand, this area has grown substantially with respect to the increase in light industrial uses. Only one area in San Francisco--the area in which the Butchertown industrial project is to be located--has shown an increase in land used for heavy industry and concomitantly an increase in all three types of industrial usage during this period. In view of these trends it would seem that this area is and will continue to become the City's principal industrial area.

In the 15-year period, San Francisco gained net industrial acreage at the rate of 15 acres per annum, or 1.2 percent. The only areas to register significant change on this basis were the downtown financial and administrative center (a 3 percent loss per year), the Russian-Telegraph-Nob Hills area (an increase of 8 acres, or 3 percent per year), and the Butchertown-San Francisco Naval Shipyard area. During this period, the latter area had a rate of industrial absorption of 3.5 percent per annum, or 10 acres.

per year. This growth in turn can be broken down into an absorption rate of 3.5 acres (4.8 percent) per year for light industry, 5.2 acres (4.2 percent) per year for intermediate industry, and 1.3 acres (1.5 percent) per year for heavy industry. These figures are reflective of general absorption rates in the area without the advent of an industrial park.

## III

# POTENTIAL DEMAND FOR LAND IN BUTCHERTOWN

In this section we examine the sources and characteristics of potential demand for land in a redeveloped Butchertown. A variety of sources of information have been drawn upon, the results of which are presented in the following paragraphs.

## SURVEY OF COMPETITIVE INDUSTRIAL DISTRICTS

Before meaningful conclusions can be reached as to potential demand for land in Butchertown, it is desirable to have a thorough understanding [illegible] the surrounding area's real estate market. Accordingly, we surveyed approximately 100 industrial parks in the San Francisco Bay Area. In our survey we identified all present industrial companies within each park and estimated the amount of building space used by each. We rated the quality of building space based on its appearance, improvements and controls.

We also contacted selected park developers--to the extent possible--and obtained information concerning opening date, controls, sales or lease rates, sales or lease prices, absorption rate and method of disposition.

## INDUSTRIAL PARK ACREAGE

Industrial parks in the San Francisco Bay Area contain approximately 18,000 acres of land almost equally distributed on both sides of the Bay. The average park is 209 acres in size. Throughout the seven counties, however, individual park sizes range from 10 to 2,200 acres.

As of June, 1966, only about 1,500 acres of the total industrial park land was in active use. This represents about 8 percent of the land available. Total industrial land sold, however, was in the order of 3,000 to 3,500 acres, which indicates that about one-half of the land sold has been put to industrial use.

## LAND USE

Our inspections indicate that there are approximately 32 million square feet of building space in the 100 industrial parks. This is only 11 to 13 percent of the 250 to 300 million square feet of industrial building space in the Bay Area. The primary land uses in the industrial parks, are: 38 percent manufacturing; 2 percent assembly, services and repair; 12 percent research and development; 42 percent warehouse and distribution; and 6 percent service, commercial and office uses. This distribution is expressed in graphic form in Figure 7. The map in Figure 8 shows primary land use in industrial parks by location. Here we see a slight tendency toward warehousing facilities in the more urbanized portion of the Bay Area. This tendency would be more apparent if we were to classify the parks by first and second major usages, as many of the closer-in parks combine light manufacturing and distributive facilities.

## PARCEL SIZE

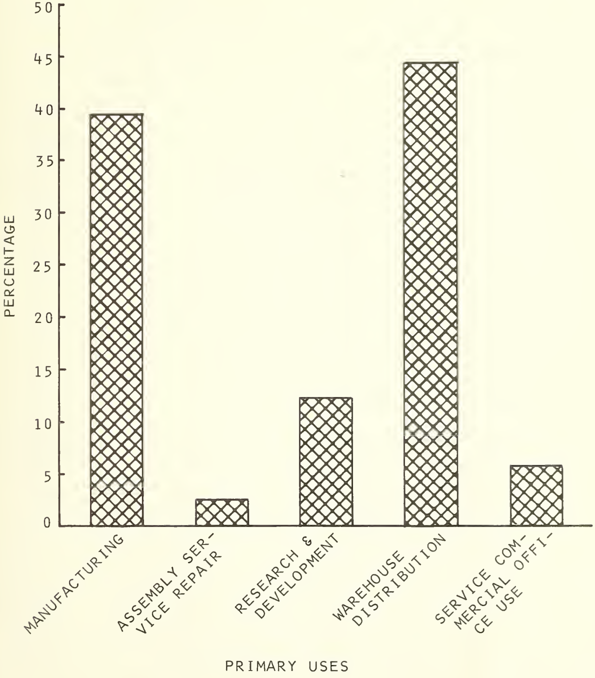
Industrial parks in the San Francisco Bay Area are heavily oriented toward small companies. The average amount of floor area each firm occupies is approximately 30,000 square feet, and there is a large number of users in the 5,000 to 10,000 square foot range. Multi-tenant buildings are common in many parks, especially those not owned or controlled by the railroads. Parcel sizes range from one-fourth acre up, with the average site approximating 3.9 acres (see Table 14).

## BUILDING TYPE

The types of buildings allowed in the various industrial parks differ according to location and primary land use. Industrial parks whose primary use is for research and development are almost always developed with some type of masonry buildings. This is also true in parks designed for light industrial and located reasonably close to cities. The farther away from centers of population the more building types occur. However, the one building type that was most frequently prohibited on industrial parks were metal type buildings.

FIGURE 7

# PRIMARY LAND USES IN BAY AREA INDUSTRIAL PARKS



SOURCE: DEVELOPMENT RESEARCH ASSOCIATES

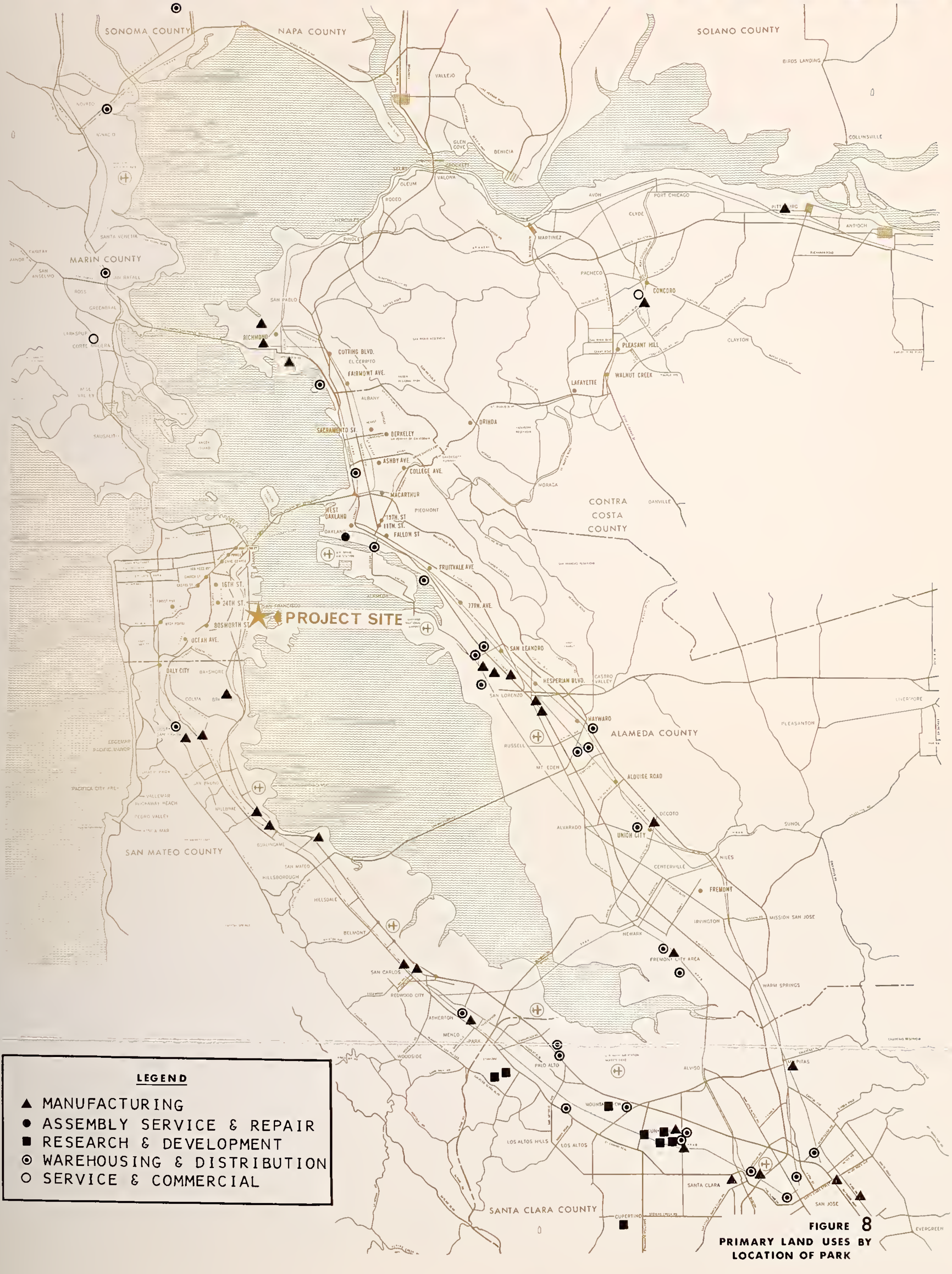


FIGURE 8
PRIMARY LAND USES BY LOCATION OF PARK

## Table 14
## SELECTED CHARACTERISTICS OF BAY AREA INDUSTRIAL PARKS

| | Park Size (acres) | | Average Parcel Size (acres) | Average Sales Price[1] per Square Foot | Average Absorption per Year (acres) |
|---|---|---|---|---|---|
| | Average | Range | | | |
| Northern San Mateo County | 187.6 | 28- 600 | 2.4 | $2.03 | 21.0 |
| Southern San Mateo County | 84.0 | 52- 200 | 2.3 | 1.20 | 6.3 |
| Northern Santa Clara County | 120.2 | 10- 400 | 8.2 | 1.04 | 10.5 |
| Southern Santa Clara County | 120.5 | 14- 265 | 2.4 | 0.91 | 10.5 |
| Southern Alameda County | 274.0 | 96- 500 | 3.8 | 0.43 | 11.2 |
| Northern Alameda City | 96.0 | 20- 250 | 3.2 | 1.38 | -- |
| Contra Costa, Marin | 45.5 | 22- 125 | 3.6 | 1.14 | 4.8 |
| Solano County | 752.6 | 14-2,200 | 5.6 | 0.44 | 67.6 |

[1] Latest actual price recorded.

Source: Coldwell Banker and Company,
Development Research Associates

## LAND COVERAGE

Requirements for land coverage ranged from a maximum allowable coverage of 20 percent to none. Our survey indicates that 76 percent of all the industrial parks had allowable land coverage controls while only 24 percent had no coverage requirements (see Figure 9).

## ARCHITECTURAL CONTROL AND STANDARDS

About 70 percent of the industrial parks in the San Francisco Bay Area exercise architectural controls. Most often these controls are administered by the developer. However, in some instances this authority is delegated to the local public agency in charge of code enforcement.

Our survey also indicates that all of the industrial parks in the Bay Area have standards to some degree governing developments within each park; however, some parks have more rigid standards than others. For instance, we found that less than 5 percent of the parks had no setback standard or requirement. Most have standards pertaining to noise, odors, fumes, smoke, dust, vibration, and air pollution. Most also impose standards for parking and loading and unloading requirements. Other standards frequently found pertained to landscape requirements, signs and billboards, and open storage areas (see Figure 10).

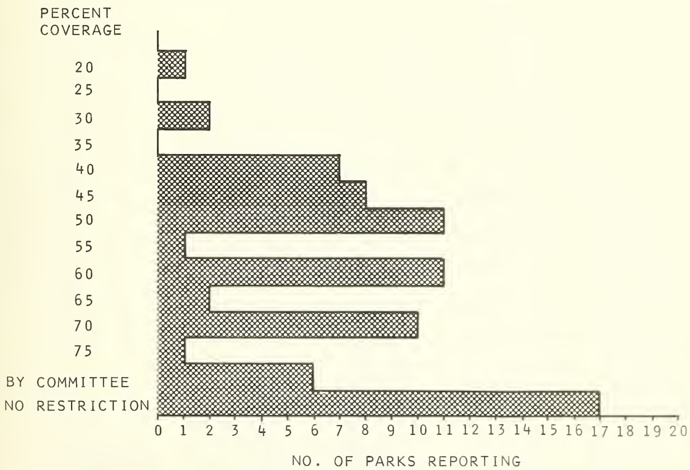
## SALES PRICES

Improved industrial park land prices in the San Francisco Bay Area generally range from $0.44 to $2.50 per square foot. The most expensive land is generally found in northern San Mateo County while the cheapest is found in Solano County.

Sales prices by major sectors within the Bay Area are also presented in Table 14. A geographic analysis of land prices indicates that although general relationships can be established between distance from population centers and low land cost, within subareas there are wide ranges in industrial land prices. Highest prices are being obtained in the established close-in areas of Emeryville and South San Francisco; the lowest prices are to be found in the outlying North Bay counties and southern Alameda County.

FIGURE 9

MAXIMUN BUILDING COVERAGE OF PARCEL IN BAY AREA INDUSTRIAL PARKS

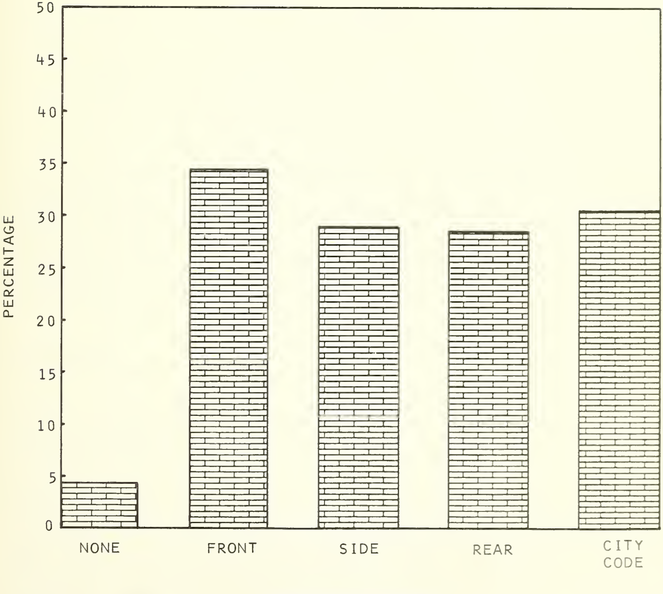


NOTE: BASED ON REPORTS FROM 77 BAY AREA INDUSTRIAL PARKS

SOURCE: DEVELOPMENT RESEARCH ASSOCIATES
COLDWELL BANKER & COMPANY

FIGURE 10

SET BACK REQUIREMENTS FOR INDUSTRIAL PARK IN THE SAN FRANCISCO BAY AREA



SOURCE: DEVELOPMENT RESEARCH ASSOCIATES
COLDWELL BANKER AND COMPANY

## ABSORPTION

The median absorption rate for industrial park land in the San Francisco Bay Area during the period 1960-1966 has been eight acres per year. The highest yearly sales performance we found was 200 acres, but this was extremely inexpensive land (less than $0.10 per square foot) in one of the lesser populated North Bay counties. The most prevalent sales performance level by individual parks has been two to six acres per year. The four parks closest to Butchertown have experienced the following absorption experience.

| | Year Started | Annual Absorption |
|---|---|---|
| Crocker[a] | 1966 | 13.5 acres |
| Cabot, Cabot & Forbes | 1964 | 65.0 |
| Person Swanson | 1962 | 5.6 |
| South San Francisco | 1956 | 15.0 |

[a] Located in Brisbane; all others in South San Francisco.

The parks with the highest sales rates have generally been priced in the $0.75 to $1.50 per square foot range (see Table 14). The Cabot, Cabot & Forbes sales rate demonstrates a possible absorption, substantially higher than the average. It shows what can be done, with the combination of excellent marketing, effective standards, the right mix of permitted uses and professional management. Cabot, Cabot & Forbes are asking $2.15 to $2.75 per square foot for land in this industrial park.

## LOCATION

Location of the 100 industrial parks in the San Francisco Bay Area, surveyed by the Development Research Associates team by year of establishment is shown on a map in Figure 11.

Industrial park development started slowly in the West Bay on the Peninsula in the late 1940's and then jumped to the East Bay in the early 1950's. During the latter 1950's, industrial park development flourished on both sides of the Bay, and during the 1960's, industrial park growth was almost evenly distributed along both shores of the San Francisco Bay. As of now distribution of industrial park is approximately 56 percent on the west shore and 44 percent the east shore.

Beyond the above, no particular pattern of locational development by year of establishment can be discerned.

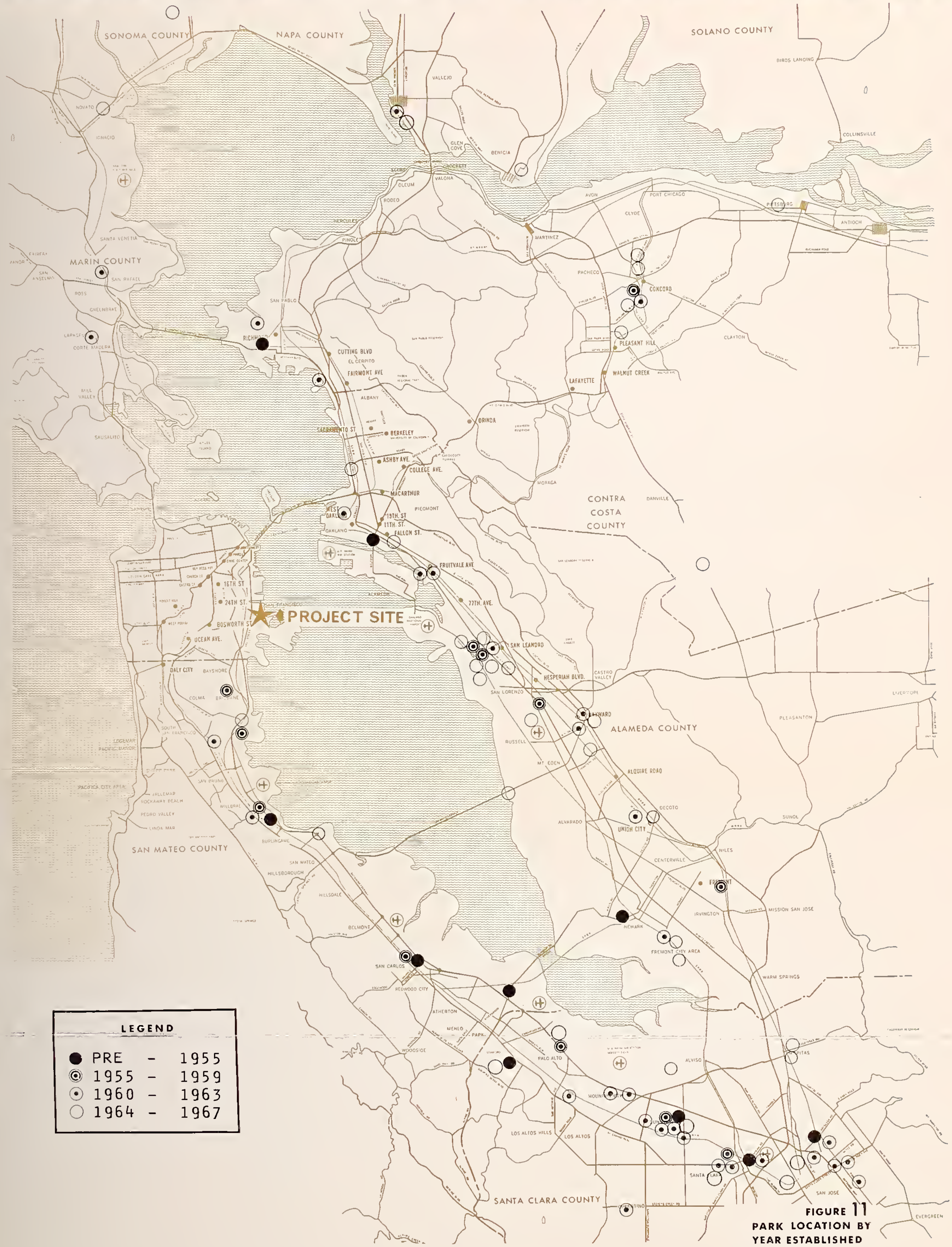


FIGURE 11
PARK LOCATION BY YEAR ESTABLISHED

## SUMMARY

### Standards and Controls

Generally the most successful industrial parks have a genuine park-like environment, indicating park developers are able to maintain restrictions on setback areas to attain an uncrowded landscape. Another major characteristic of the more successful industrial parks are architectural controls that provide a uniform appearance to the park. Larger parks, which are among the most successful land sellers, impose particularly stringent standards and controls.

### Development Pattern

In the early stage of industrial park development, industrialists sought outlying locations for the purpose of acquiring cheaper land and lower tax burdens. However, as our review indicates, the land price differential is beginning to close along the San Francisco Peninsula from San Jose north to the San Francisco City line. Elsewhere, however, industrial land is available at dramatically lower prices in relatively close-in locations. This is particularly the case in the southern Alameda County area, which has excellent access to the major population centers throughout the Bay Area, as well as to the industrial centers along the west Bay and Oakland-San Leandro area.

### Absorption

Our review of absorption rates over the past six years suggest that in northern San Mateo County (the industrial park area most comparable to Butchertown) industrial developers are averaging approximately 20 acres per year in sales. This relatively high rate of absorption is influenced by the substantial increase in demand for land for warehousing and other distributive activities.

In the matter of absorption, it is to be noted that there is a wide variation in sales rates throughout the Bay Area. This reflects the fact that many so-called industrial parks are simply land subdivisions, in which relatively little specialized planning or merchandising effort is expended. In the Development Research Associates survey, for instance, we found a number of industrial parks in which there had been virtually no sales activity during the last 18 months. On the other hand, we surveyed a number of well

merchandised, professionally managed parks, which had experienced a continuous selling activity. Typically, the most successful of these were dedicated to providing industrial land aimed at meeting specific industrial needs, rather to simply make a profit on the subdivision and sale of land.

## PHYSICAL FACTORS INFLUENCING POTENTIAL DEVELOPMENT

A second major analysis conducted to estimate future demand for land at Butchertown involved a review of physical factors that might have an effect on sales.

### SUBAREA ANALYSIS

The land uses surrounding Butchertown are, for the most part, compatible with the proposed industrial park. In this section we have divided the area around Butchertown into 12 subareas for analytical purposes. These areas are identified in Figure 12. We will present background and prominent characteristics of each area and then discuss the scoring and rating of each area in terms of possible beneficial or deleterious effect upon the proposed industrial park.

The rating system is derived from an examination of each of the 12 subareas. Each area was evaluated with respect to 21 items and scored. The higher the score the worse the rating: a rating of 1 equals essentially no problem; a rating of 4 equals very serious problems. The 21 physical factors are deliberately expressed in negative terms as an analytical discipline. They are listed below:

1. Traffic congestion and poor vehicular circulation.
2. Distance from regional highway system.
3. Lack of public utilities (water, electrical power, sewers, etc.).
4. Obsolete block layout.
5. Lack of off-street parking.
6. Lack of off-street loading.
7. Condition of absence of curbs, gutters and sidewalks.

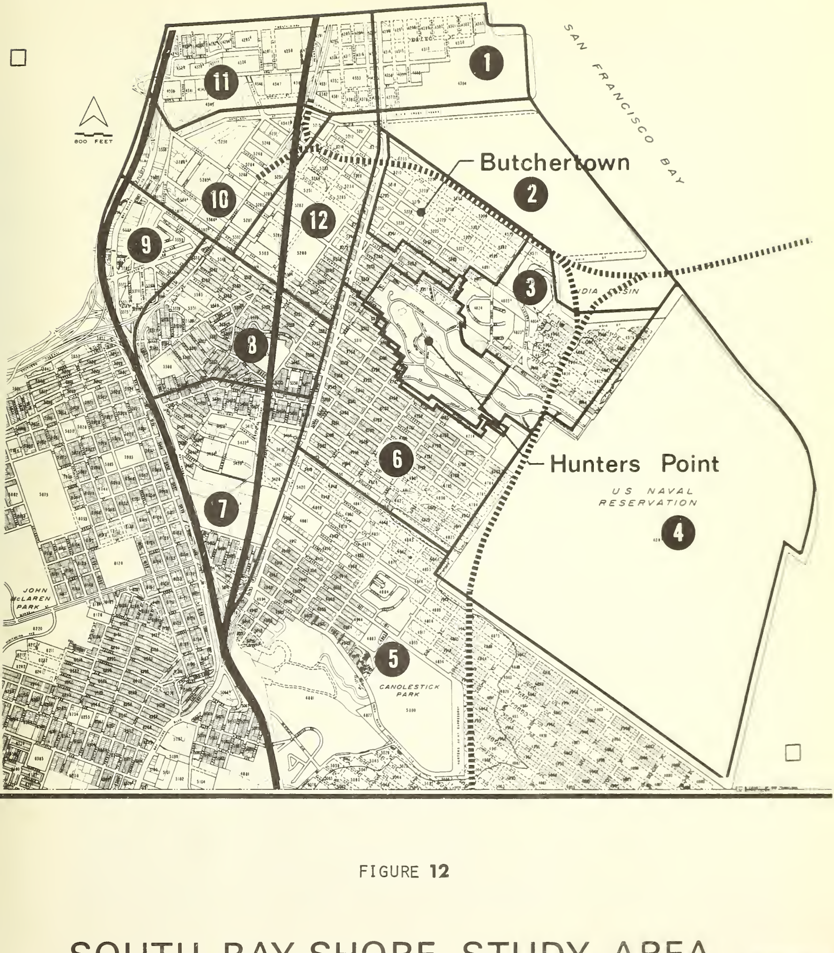


FIGURE 12

# SOUTH BAY-SHORE STUDY AREA

( SHOWING PROPOSED HUNTERS POINT FREEWAY AND SOUTHERN CROSSING )

September 1, 1967, and contains the most modern cargo operating equipment. Twenty-five foreign and American steamship lines are expected to use this facility.

The northern portion of Area 1 is intensively developed by several industrial firms. These industrial buildings occupy almost 100 percent of their respective sites. Very little space is available for off-street parking and in most buildings, loading and unloading can only be accomplished through the use of public rights-of-way.

The area received an average score of 2.4. It ranked low in availability of off-street parking and loading, building density and landscaping.

## Area 2

To the east of the site, an area of approximately 132 acres is being slowly filled by the sanitary fill method of fill and cover. This property is also owned by the Port Authority, and its future use is now being studied. It is likely, however, that the ultimate use for this area will be for containerization port operations. If this area does indeed become a site for a large-scale containerization, the necessary "back up" and assembly operations might well be carried out by firms in the industrial park. Thus this type of land use would be very much in keeping with an industrial park. Area 2 was not ranked because most of the factors could not be applied in its present undeveloped state, and planned development should prove to be most desirable and compatible to the redeveloped Butchertown area.

## Area 3

Area 3 is bounded on the north by Arthur Avenue and the San Francisco Port Authority property, on the south by the southern boundary of the Hunters Point Redevelopment Project, on the east by the U.S. Naval Reservation and on the west by Third Street.

The Hunters Point plant of the Pacific Gas and Electric Company is located in Area 3 to the south and southeast of the project site. Situated on approximately ten acres, this facility has a capacity to generate up to 445,000 kilowatts of electricity. Consideration is now being given to erecting an incinerator in San Francisco to burn the garbage now being dumped into the Bay near Brisbane. One tentative plan calls for the construction of a steam generating incinerator to burn this garbage, which would sell the steam thus

produced to P. G. &E. Such a facility would cost approximately $13,000,000 and is apt to be located adjacent to the existing Hunters Point plant.

Although during the course of this study we considered the incinerator proposals, lack of definitive information has not permitted final conclusions on this subject. Possible drawbacks to locating a garbage incinerator wholly or partially in Butchertown would be more of a concern to neighboring residents rather than to potential industrial land users.

Area 3 also contains the proposed Butchertown industrial project, the Hunters Point residential project, as well as some public housing units located just south of the P. G. &E. power plant. These units should, along with the moderate income housing now being planned for the Hunters Point Project Area, be very beneficial to developers in the industrial project as a source for potential employees.

The small residential area between the two project areas and Third Street may be considered marginal residential, and should be watched closely to guard against its becoming a run down pocket of blight between redevelopment projects.

Area 3 also was not ranked since many of the existing poor conditions will be eliminated in the two proposed redevelopment projects.

## Area 4

Area 4 consists entirely of a United States Naval Reservation. All buildings, streets, lighting, thereon are maintained according to Naval regulations. Because access in and out of this area is somewhat restricted, we do not foresee any adverse effect by it upon the project area. However, the volume of traffic on Evans Avenue generated by the Naval Reservation will be substantial until the new Hunters Point Freeway interchange is constructed. The area is bounded on the north and east by the San Francisco Bay, on the west by Fitch and Earl Streets, and on the south by the easterly extension of Bancroft Avenue.

A low score of 1.2 was awarded to this area.

## Area 5

Area 5 is located in the extreme southern section of the study area. Even though Candlestick Park is located in this area, the average score of 2.6 which was assigned to it is the second highest score given. If existing development trends continue a portion of this area will be absorbed by the auto wreckers when they are obliged to find new locations for their salvaging operation.

Industrial buildings constructed here since 1950, are mostly tilt-up or other form of masonry construction. Most occupy their entire sites, typically there is no provision for off-street parking. Loading and unloading is usually performed from the street.

If the present trend of development continues, the small public housing development located almost in the center of Area 5 will be completely surrounded by industrial buildings. There is also evidence that a portion of this area, east of Candlestick Park, is being used for a dumping ground, as well as new locations for auto wrecking and storage areas.

As noted above, Area 5 was given a rating of 2.6, the second highest in the South Bayshore area.

## Area 6

This area is south of the proposed industrial park and Hunters Point residential project. Here, one finds simple and inexpensive single family attached housing. The two project boundaries have been located so that they will include some of the more dilapidated housing. Thus, this housing is slated to disappear. Much of this type of housing is presently vacant, whereas the housing outside the project's limits appears to be in relatively good condition. This latter housing thus affords the opportunity for one to live close to where one works.

There is evidence of the same industrial development mentioned in Area 5 above appearing in the southeastern portion of this area, and accordingly, Area 6 was awarded a rating of 2.1.

### Area 7

Area 7, located between Third Street and the Bayshore Freeway south of Williams Avenue, is the site of new industrial activities. Here again, most of the buildings housing these new industrial operations occupy their entire sites. Very little, if any, of the sites are devoted to off-street parking or loading.

This area received a rating of 1.7 and is considered one of the better industrial areas.

### Area 8

This area is located between Third Street and the Bayshore Freeway, bounded on the north by Selby Street and Oakdale Avenues and on the south by Williams Avenue. In Area 8, one finds the best housing development in the South Bayshore area. The area consists mostly of single family attached homes that are well maintained and the street pattern is designed in such a way that it discourages use by the surrounding industrial traffic.

This area received the lowest rating, 1.0, assigned in this analysis.

### Area 9

Area 9, located between Selby Street and the Bayshore Freeway and southwesterly of Oakdale Avenue contains a number of fabricating plants and small industrial operations. The buildings in Area 9 are generally well constructed and very well maintained. However, the lack of parking and loading facilities in the area give it the appearance of being overcrowded and unsightly. This congestion, along with open and unfenced storage areas, give the area a blighting appearance.

A high rating of 2.3 was given Area 9.

### Area 10

Area 10 is situated between the James Lick Freeway and Rankin Street and bounded northerly by Napoleon Street and southerly by Oakdale Avenue.

This is the most extensively developed industrial area in the Bayview community. One of the larger developments is the new produce area that was relocated from the Golden Gateway Redevelopment Project. This is the only area that is entirely devoted to one land use.

Area 10 received a high score in almost all 21 items contained on the check list, thus a relatively high score of 2.6 was assigned.

### Area 11

Area 11, is bounded on the north by Twenty-fifth Street, the south by Napoleon Street, the east by Third Avenue and the west by the James Lick Freeway. In this area the new sewage treatment plant, tentatively called the Southeast Sewage Treatment Plant, is now under construction.

The southernmost portion of Area 11 is completely developed by industrial land users covering almost the entire parcels in each case. The public housing units that meet the industrial developments at Twenty-sixth Street serve as a barrier to the industrial development movement toward the central city.

Rating points assigned to Area 11 dealt only with the industrially developed portion of the area and this portion received an average rating of 2.2.

### Area 12

Area 12 is bounded on the north by the Islais Creek Channel, on the south by Oakdale Avenue, on the east by Third Street and on the west by Rankin Street.

Small fabricating plants and industrial operations are situated in this area. Just to the west of Third Street, one finds a number of small warehouses, light manufacturing factories, and open storage facilities. There are also a number of automotive-oriented uses such as gas stations, trucking establishments and one cement pouring works, as well as a number of other heavy commercial uses. These operations seem to be most in keeping in character and nature with an industrial park.

However, this area is most noted for its overcrowding of building sites, lack of loading and unloading facilities of the street, etc. As a result, Area 12 scored highest in all check items, and also received the highest score of any area, 3.1.

## CIRCULATION

The transportation facilities surrounding the site of the proposed Butchertown Industrial Park are exceptionally good now. A spur track of the Southern Pacific Railroad is presently located to the north of the site, which enters the Islais Creek Terminal. This trackage will undoubtedly expand if and when the containerization facility mentioned above is constructed. The Industrial Park is located less than a mile from the Southern-Embarcadero Freeway connection, which is now under construction. Moreover, the recently approved Hunters Point Freeway will skirt the northern edge of the Industrial Park site. An interchange will be located at Third Street and this freeway.

Finally, and of considerable long range significance, the western terminus of the bridge connecting Alameda with San Francisco (the Southern Crossing) will be located in the vicinity of India Basin, and it will probably connect the Hunters Point Freeway near the northeast corner of the industrial park site. Thus the Butchertown Industrial Park will be only minutes away from the plants situated in San Leandro and the other East Bay communities after this bridge is completed sometime in the mid-1970's. These developments in transportation around the periphery of the site will make the establishments which locate in the Butchertown Industrial Park more accessible to other parts of the region than is now the case, and therefore, the park should become an even more desirable place in which to situate a factory or distribution facility.

## COMMUNITY FACILITIES

The twin emphases of this investigation have been (1) a review of the typical facilities that industrial firms look for when considering a new industrial location, and (2) specific programs in the job training area from which new firms might benefit.

In this latter regard, we find job training programs elsewhere in the Bay Area (Opportunities Industrialization, Inc. have set up programs in Oakland and Menlo Park) but none that are specifically directed to the residents and potential employees in the Bayview-Hunters Point Area. Since this is the subject of a major study, which at this writing is about to be undertaken, we assume that on-the-job training, as well as other training programs will be available at the time of potential sales in the Butchertown industrial park.

For these to be effective, however, they must be keyed not only to the needs of potential trainees, but also to the skills needs of potential employers. In this regard, the results of our manufacturers survey, reported upon later in this section, should be of great help.

## Table 15
## POINT RATING OF SUBAREAS IN THE SOUTH BAYSHORE AREA

| | Physical Factors | Area | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 1 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 1 |
| 1. | Traffic congestion | 3 | 1 | 1 | 2 | 2 | 1 | 2 | 2 | 2 | 3 |
| 2. | Accessibility to highway system | 3 | 2 | 2 | 2 | 2 | 1 | 1 | 2 | 2 | 3 |
| 3. | Public utilities | 2 | 1 | 2 | 2 | 1 | 1 | 1 | 2 | 2 | 3 |
| 4. | Block layout | 2 | 1 | 2 | 1 | 1 | 1 | 3 | 2 | 2 | 3 |
| 5. | Off-street parking | 4 | 1 | 4 | 3 | 3 | 1 | 4 | 4 | 3 | 4 |
| 6. | Off-street loading | 4 | 1 | 4 | 4 | 3 | 1 | 4 | 4 | 4 | 4 |
| 7. | Curbs, gutters, and sidewalks | 2 | 1 | 3 | 2 | 2 | 1 | 2 | 3 | 2 | 3 |
| 8. | Non-conforming uses | 2 | 1 | 3 | 2 | 2 | 1 | 2 | 2 | 2 | 3 |
| 9. | Street lights | 2 | 2 | 2 | 2 | 1 | 1 | 2 | 2 | 2 | 2 |
| 10. | Vacant land | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| 11. | Junk yards and sheds | 2 | 2 | 4 | 2 | 2 | 1 | 2 | 3 | 2 | 4 |
| 12. | Abandoned buildings | 2 | 1 | 3 | 3 | 2 | 1 | 2 | 3 | 2 | 3 |
| 13. | Overcrowding of sites | 4 | 1 | 4 | 3 | 3 | 1 | 3 | 4 | 3 | 4 |
| 14. | Building appearance | 2 | 1 | 3 | 2 | 1 | 1 | 3 | 3 | 3 | 4 |
| 15. | Fragmented land areas | 3 | 1 | 2 | 1 | 1 | 1 | 2 | 2 | 2 | 3 |
| 16. | No landscaping | 4 | 3 | 4 | 3 | 3 | 1 | 4 | 4 | 4 | 4 |
| 17. | Poorly parceled lots | 2 | 1 | 1 | 2 | 1 | 1 | 3 | 3 | 2 | 3 |
| 18. | Drainage system | 2 | 1 | 2 | 1 | 1 | 1 | 1 | 3 | 2 | 2 |
| 19. | Condition of residential area | 1 | 1 | 3 | 2 | 1 | 1 | 2 | 1 | 1 | 3 |
| 20. | Condition of commercial area | 2 | 1 | 2 | 3 | 2 | 1 | 2 | 2 | 2 | 4 |
| 21. | Marginal land uses | 2 | 1 | 2 | 2 | 1 | 1 | 3 | 2 | 2 | 3 |
| Average | | 2.4 | 1.2 | 2.6 | 2.1 | 1.7 | 1.0 | 2.3 | 2.6 | 2.2 | 3. |

Note: Areas 2 and 3 were not rated; see text.

Source: Development Research Associates

As to the more typical community facilities desired in industrial location, Butchertown benefits from its site within the City of San Francisco. The City is geographically small, and internal access is relatively good. Public transportation to the site is at present inadequate, but a system does exist and service could be expanded. Hotels and related facilities are readily available either downtown or at the industrial-airport oriented hotel-motels in the northern peninsula.

Previous studies have generally concluded that police and fire service are highly regarded in San Francisco. (The Chamber of Commerce - Development Research Associates manufacturers survey elicited the same response.) The relative proximity to the San Francisco Airport, although of importance only to certain manufacturers can be a substantial community service benefit to the Butchertown area.

## SOIL CONDITIONS

The poor quality of the soils in Butchertown could be a major drawback to the successful marketing of land in the proposed park. Soil conditions have been the subject of analysis by Harding-Miller-Lawson & Associates, soils engineers. In their report Harding-Miller-Lawson have subdivided the project area into four separate areas. In two of these areas, primarily in the northerly sector of the project, appreciable settlement will occur as a heterogeneous mixture of fill materials decomposes and compresses. Not only will total settlement be substantial in these areas, but settlement will also experience large differentials, again due to the random and uncontrolled use of various fill materials in the past. Because of these characteristics, accurate settlement predictions are virtually impossible.

In addition, problems encountered with unstable soils in the South Bayshore Area are well known to the real estate and business communities in San Francisco. Our experience in industrial location indicates that the uncertainty of load bearing qualities both as to possible costs and future instability is often enough to eliminate an otherwise acceptable potential site from consideration.

In summary, the poor quality of Butchertown soils will inevitably be a problem in the land sales program. Whether it becomes a critical limitation depends upon how well the Agency meets and offsets this problem in the minds of potential buyers.

## SUMMARY

Excluding streets, approximately one-third of the land area of the South Bayshore area is used for industry; this represents about one-third of the total existing industrial development of the City. Thus, development trends very clearly point out that this area continues to be San Francisco's major industrial location.

The area contains a sizable amount of deteriorated and obsolete buildings. This, in combination with the congestion caused by the lack of off-street parking and loading and the auto salvage yards in Butchertown (and elsewhere), gives the entire area an appearance of incipient-to-advanced blight.

Despite this overall characteristic, the South Bayshore area is viable and enjoying a regular redevelopment of existing land use to modern industrial uses. It is fair to say that the new industrial developments in the area are an indication of the type and magnitude of the development that can be expected in the future. Excellent examples are the Toland Complex, a complex of buildings especially designed for firms with small space requirements (ranging from 5,000 to 15,000 square feet of floor area), and the new Coca Cola plant occupying six acres.

The reasons for this seeming developmental paradox is that close-in industrial land is at such a premium in San Francisco that industrial users discount the drawbacks of congestion, mixed uses and generally unattractive surroundings in favor of the excellent access and proximity to markets afforded by the area. For this reason, the surrounding area--bad as some of it is--will not have an adverse effect upon marketability in Butchertown. Rather, as a dynamic area for industrial growth, the neighborhood will benefit the Butchertown Industrial Park.

Two limitations of the surrounding area will, in our opinion, particularly serve Butchertown's future interests. First, despite the activity of the neighboring area, it is not likely to be seriously competitive with Butchertown. Land ownerships are so fragmented that it would be virtually impossible to assemble another acreage even approaching the size of Butchertown (short, of course, of employing the governmental renewal process). Thus, private development will continue to be on small, expensive parcels with no control over local environment.

Second, since most of these new developments are for distributive purposes, already extremely congested conditions will be further aggravated. This will be of increasing value to the successful development of Butchertown, assuming the Butchertown development plan makes provision for off-street parking and loading.

In regard to both circulation (existing and planned) and community services, Butchertown is favorably located. The new park should benefit in particular from superior access to the new Hunters Point Freeway and Southern Crossing. The only major physical drawback to the proposed redevelopment are the very poor soil conditions within the site area itself. These conditions can pose very real but not insoluable-marketing and engineering problems.

## SURVEY OF MANUFACTURING FIRMS IN SAN FRANCISCO

In November of 1967, a comprehensive questionnaire was sent to approximately 2,400 San Francisco manufacturing firms. In addition, approximately 75 firms were interviewed in face-to-face contact utilizing the same questionnaire form. (Appendix B-1 is a reproduction of the survey questionnaire.)

The survey was conducted as part of a joint effort of the City and County of San Francisco and the Economic Development Administration, United States Department of Commerce. It was administered by the Greater San Francisco Chamber of Commerce and was prepared jointly by that organization and Development Research Associates.

The primary purpose of the survey was to aid in gathering information which will be of value in the development and the disposition of land in the proposed Butchertown Industrial Park. Subjects included among others, employment size, skill levels of employees, degree of union membership, source of entry level employees, job openings and industrial location factors. In addition, specific information was solicited on physical facilities including parcel size, building size, age of building, type of construction and the like.

The value of the survey responses is not limited to Butchertown, but rather bears very importantly on the maintenance and development of a solid industrial base in the City of San Francisco. Our concentration, however, has been on potential problems and opportunities in creating a successful industrial park in Butchertown. Accordingly, the text and tables that appear below have been specifically selected for their pertinence to the Butchertown marketing effort.

### CLASSIFICATION OF THE RESPONDENT FIRMS

The first set of tables classify the survey respondents into various basic categories. Of the 2,400 questionnaires, some 477 were returned, representing

a return percentage of approximately 20 percent. In consideration of the great detail and comprehensiveness of the questionnaire, it is considered that the 20 percent return is excellent.

## Industry Type

As shown in Table 16, San Francisco manufacturing is characterized by three major product groupings: Food and kindred products (10.3 percent of all respondents), printing and publishing (15.3 percent), and fabricated metal products (12.2 percent).

The great diversity of San Francisco manufacturing is also indicated in this distribution with most of the major product categories represented by a significant number of respondents.

### Table 16
### RESPONDENT FIRMS CLASSIFIED BY TYPE OF INDUSTRY

(Please indicate the one product category below which dominates your manufacturing output based on value of production at this site.)

| Industry | Percent of All Firms Responding |
|---|---|
| Ordnance and accessories | 0.6% |
| Food and kindred products | 10.3 |
| Textile mill products | 3.8 |
| Apparel and related products | 6.7 |
| Lumber and wood products | 5.2 |
| Furniture and fixtures | 5.2 |
| Paper and allied products | 2.5 |
| Printing and publishing | 15.3 |
| Chemicals and allied products | 4.0 |
| Rubber and plastic products | 2.9 |
| Stone, clay and glass products | 1.7 |
| Fabricated metal products | 12.2 |
| Machinery except electrical | 3.4 |
| Electrical machinery, equipment and supplies | 3.8 |
| Transportation equipment | 1.9 |
| Instruments and related products | 0.4 |
| Other manufactured products | 10.5 |
| No data | 9.6 |
| Total | 100.0% |

## Industry Size

San Francisco is also a city comprising many small firms as shown in Table 17. Approximately 36 percent of all responding firms had under nine employees. Over half had less than 20 employees, and only 3 percent indicated employment of 500 workers or better.

Table 17
RESPONDENT FIRMS CLASSIFIED BY
EMPLOYMENT SIZE

(What is your firm's average annual full-time employment at this site?)

| Number of Workers | Percent of All Firms Responding |
|---|---|
| 1-9 | 36.1% |
| 10-19 | 21.0 |
| 20-49 | 17.2 |
| 50-99 | 13.0 |
| 100-499 | 7.5 |
| 500 or more | 2.9 |
| No data | 2.3 |
| Total | 100.0% |

Industries characterized by larger than average firm size include: food and kindred products and non-electrical machinery. Smaller than average firms occur in the following industries: printing and publishing, lumber and wood products, and furniture and fixtures; while industries characterized by medium sized firms are apparel and fabricated metal products.

## Skill Level

Table 18 indicates the relatively high level of work skills performed by employees of San Francisco manufacturing firms. In this table responding firms are not expressed in terms of percentages; rather the table lists the actual number of firms indicating the composition of their work force. Thus, 264 firms said that professional and managerial employees represented between 0 and 24 percent of their total work force; 61 said that this classification of worker represented 25 to 74 percent of the total work force and 5 firms said that professional and managerial made up between 75 and 100 percent of all employees.

Generally, the table shows that professional, managerial and clerical and sales comprise a relatively large percentage of San Francisco manufacturing employment. Among the blue collar occupations, there is a similarly high percentage of skilled workers as contrasted with semi and unskilled workers. Only 21 firms indicated that over 75 percent of their work force was semi-skilled, and only 6 firms stated that over 75 percent of their work force was unskilled.

### Table 18
### RESPONDENT FIRMS CLASSIFIED BY EMPLOYEE TYPE

(Please indicate the present percentage of your employees at this site engaged in the types of work listed below:)

| | Number of Firms Reporting Percent Distribution of Employment | | | |
|---|---|---|---|---|
| | 0-24% | 25-74% | 75-100% | No Data |
| Professional and managerial | 264 | 61 | 5 | 147 |
| Clerical and sales | 199 | 99 | 37 | 142 |
| Service | 64 | 21 | 4 | 388 |
| Skilled | 68 | 110 | 82 | 217 |
| Semi-skilled | 88 | 76 | 21 | 292 |
| Unskilled | 75 | 31 | 6 | 365 |

This finding is indicative of the difficulty which will be faced in developing low skill job opportunities in Butchertown. The existing pattern is distinctly one of high skill hourly occupations in San Francisco manufacturing.

## Age of Firms

As shown in Table 19, San Francisco manufacturing firms are largely long time residents of the City. Approximately 42 percent were established in San Francisco prior to 1930, and only 11.3 percent have located in San Francisco since 1960. Examination of more detailed statistics indicate that a large percentage of the pre-1930 firms date back before the turn of the century.

Long term firms include, in particular, members of the food, paper products, chemicals machinery (except electrical) and instruments industries. As might be expected electrical machinery and apparel firms are relatively younger; the former, which includes electronics, is itself a young industry; the latter is a comparatively new industry to San Francisco.

## Table 19
## RESPONDENT FIRMS CLASSIFIED BY AGE OF FIRM

(In what year was your firm established in San Francisco?)

| Year Established | Percent of All Firms Responding |
|---|---|
| Pre 1930 | 42.1 |
| 1930 - 1939 | 12.8 |
| 1940 - 1949 | 16.4 |
| 1950 - 1959 | 17.4 |
| 1960 or later | 11.3 |
| Total | 100.0% |

### Unionization

In regard to unionization of San Francisco manufacturing employment, Table 20 indicates that among production workers, a large percentage of the firms have almost completely unionized work forces. Among maintenance and white collar workers, however, extent of union membership is not substantial.

A matter of interest is the large number of respondents that chose not to respond to this question at all. Regarding production employees, for instance, over 45 percent of all firms did not respond, and in the matter of unionization of maintenance and white collar workers, over 80 percent did not respond.

### Tenure and Building Characteristics

Regarding tenure and building characteristics, Table 21 indicates a surprisingly low percentage (28.7 percent) own their land and building, while a large number (56 percent) lease their facilities. Table 22 shows that San Francisco manufacturing firms are generally housed in buildings that are older than the firms themselves. For instance, about 52 percent of the firms indicated their facilities were constructed before 1930; whereas, 42 percent

## Table 20
## RESPONDENT FIRMS CLASSIFIED BY EXTENT OF EMPLOYEE MEMBERSHIP IN TRADE UNIONS

(What percent of your employees are union members?)

| Percent of Workers in Unions | Percent of All Firms Responding |
|---|---|
| Production Workers | |
| 0-19% | 1.5% |
| 20-39% | 2.7 |
| 40-59% | 3.1 |
| 60-79% | 4.2 |
| 80-99% | 42.8 |
| No data | 45.7 |
| Total | 100.0% |
| Maintenance Workers | |
| 0-19% | 2.7% |
| 20-39% | 0.6 |
| 40-59% | -- |
| 60-79% | -- |
| 80-99% | 13.6 |
| No data | 83.0 |
| Total | 100.0% |
| White Collar Workers | |
| 0-19% | 1.7% |
| 20-39% | 3.3 |
| 40-59% | 1.5 |
| 60-79% | 1.5 |
| 80-99% | 4.6 |
| No data | 87.4 |
| Total | 100.0% |

## Table 21
## RESPONDENT FIRMS CLASSIFIED BY FORM OF TENURE

(Which of the following categories accurately describes the situation of your firm at this site?)

| Tenure Categories | Percent of All Firms Responding |
|---|---|
| Own land and building | 28.7% |
| Lease land and building | 56.2 |
| Lease land, own building | 1.1 |
| Own land, lease building | 0.2 |
| Other: | 9.4 |
| No data | 4.4 |
| Total | 100.0% |

## Table 22
## RESPONDENT FIRMS CLASSIFIED BY AGE OF BUILDING

(In what year was the main building on the site constructed?)

| Year Main Building Was Constructed | Percent of All Firms Responding |
|---|---|
| Pre-1930 | 51.8% |
| 1930-1939 | 10.9 |
| 1940-1949 | 14.3 |
| 1950-1959 | 3.5 |
| 1960 or later | 7.1 |
| No data | 12.4 |
| Total | 100.0% |

indicated pre-1930 as the year the firm was established. The high percentage of old manufacturing facilities would suggest a comparably high incidence of obsolete facilities among San Francisco manufacturing firms.

This indicated characteristic has both its opportunities and potential drawbacks. San Francisco, in common with many core cities, provides low cost, depreciated facilities for small, beginning firms. The City is thus an incubator for new firms and fulfills a very important role in so being. On the other hand, if these young firms are successful, they very quickly have a need for more suitable and spacious quarters for their operations. If the City cannot meet this need--the all-important first move for the young, growing firm--the firm will then turn to an outlying area to accommodate its expansion needs.

As might be expected, an analysis of tenure arrangements against size of firm shows a relatively greater emphasis upon owner occupancy among large firms and relatively more lessees among the small firms. This pattern of tenure reinforces the incubator concept discussed above, but also emphasizes the higher degree of mobility among smaller firms. Thus if pressures to expand or higher rents or higher taxes occur, these small firms are much more free to move out of the City.

A high proportion of firms who occupied space more than 37 years old shared the building with other firms (approximately 56 percent). This can be contrasted with firms established since 1960, of which only 19 percent shared their buildings with others.

## Construction

Table 23 shows respondent firms classified by type of building construction.

Smaller manufacturing firms are to be found predominantly in the wood frame and masonry construction buildings. Large firms (greater than 50 employees) tend to favor tilt-up concrete construction, while medium-sized firms are found in relatively high proportions in steel and masonry construction. Steel frame and metal clad buildings are used by all firm sizes but predominantly by very small and very large firms.

Multi-Level Buildings: Many San Francisco manufacturing firms are housed in multi-story buildings. Approximately one-third of the survey respondents occupied buildings of three or more stories, and nearly 60 percent of the total respondents are in buildings of two or more stories. Multi-story occupancy occurs primarily in the printing and publishing, food production, and the machinery industries.

## Table 23
## RESPONDENT FIRMS CLASSIFIED BY TYPE OF BUILDING CONSTRUCTION

| Construction Type | Percent of All Firms Responding |
|---|---|
| Wood frame and masonry | 34.4% |
| Tilt-up concrete | 10.9 |
| Steel and masonry | 35.6 |
| Steel frame and metal clad | 9.0 |
| No data | 10.1 |
| Total | 100.0% |

We would hesitate to use these results as evidence of preference for multi-story occupancy. Our experience has shown that few manufacturing processes are more efficiently carried out in multi-story rather than single story facilities. We also note that when firms relocate to new, custom built facilities they almost invariably choose single level construction. Accordingly, we believe the incidence of multi-level occupancy among San Francisco manufacturing firms is the lack and high cost of available land for expansion. We regard this as a matter for concern, since if the pressure to expand becomes great enough, these firms will leave the City for larger, more suitable facilities elsewhere.

Overcrowding: The factor discussed above is reinforced by substantial evidence of overcrowding among San Francisco manufacturing firms.

On the average, two-thirds of the respondent firms occupy buildings which cover more than 90 percent of the site area. San Francisco's textile mill products and apparel and related products industries, as well as the furniture and printing and publishing industries all occupy buildings with a very high percentage of site area coverage.

A high percentage of site area coverage potentially represents traffic and circulation problems for the City, a shortage of landscaped area for passive recreation, and visitor and employee parking problems.

In personal interviews with selected manufacturing executives, we understood that these problems of congestion are becoming a very serious drawback to efficient operations. This is further demonstrated in the response made by San Francisco manufacturers to a requested ranking of industrial site location factors.

## Site Location Factors

In the questionnaire, 14 factors were listed which were believed to be influential in the selection of industrial locations. These factors included physical considerations such as transportation access, energy supplies, waste disposal, etc.; legal constraints such as zoning regulations and building codes; and municipal services such as police and fire protection. While many respondents regarded these factors relatively unimportant in determining their satisfaction with their present site, of interest is an informal rank ordering of the factors given in terms of the number of responses, both positive and negative, which each factor evoked. We find that a tentative ranking of factors by number of total responses places heavy emphasis upon transportation-oriented factors in determining the advantages of a particular site. The highest ranking factors are:

1. Employee commuting conditions.
2. Ease of access by truck or auto.
3. Conditions of nearby streets and highways.

These roadway-oriented transportation factors outrank other municipally supplied services such as police protection; waste disposal; water pressure quality; utility services such as power, natural gas, and fuel oil; and legal considerations such as zoning regulations and building codes.

As can be seen in Table 24, on the following page, the survey respondents regarded the site location factors either advantageous or of little importance with respect to their own sites. However, more considered the three roadway oriented factors disadvantageous than any other factors--and by a wide margin.

From the standpoint of site advantages, the survey respondents listed fire protection services, security enforcement, public transportation and ease of access.

## Training Programs

Of the firms responding to the question, approximately 55 percent indicated they had in-plant training programs for their employees. Of the firms that did have in-plant training programs a large majority--three out of every four--were firms characterized by a large percentage of semi-skilled and unskilled workers.

## Table 24
## SITE LOCATION FACTORS

"In what respects do you feel your present site or location is not satisfactory for your firm?"

| | Advantage | | Of Little Importance | | Disadvantage | | Total Respondents |
|---|---|---|---|---|---|---|---|
| | Number | Percent | Number | Percent | Number | Percent | |
| Employee commuting conditions | 157 | 48.3% | 95 | 29.2% | 73 | 22.5% | 325 |
| Ease of access by truck or auto | 164 | 52.4 | 56 | 17.9 | 93 | 29.7 | 313 |
| Conditions of nearby streets and highways | 144 | 47.0 | 85 | 27.8 | 77 | 25.2 | 306 |
| Public transportation service | 159 | 52.6 | 106 | 35.1 | 37 | 12.3 | 302 |
| Waste disposal | 104 | 35.0 | 152 | 51.2 | 41 | 13.8 | 297 |
| Power service and frequency control | 153 | 52.1 | 135 | 45.9 | 6 | 2.0 | 294 |
| Natural gas and fuel oil service | 129 | 43.9 | 161 | 54.7 | 4 | 1.4 | 294 |
| Security enforcement | 163 | 55.6 | 91 | 31.1 | 39 | 13.3 | 293 |
| Water pressure and quality | 128 | 43.7 | 153 | 52.2 | 12 | 4.1 | 293 |
| Local zoning codes | 90 | 30.8 | 166 | 56.9 | 36 | 12.3 | 292 |
| Local building codes | 84 | 28.9 | 170 | 58.4 | 37 | 12.7 | 291 |
| Fire protection service | 193 | 66.3 | 92 | 31.6 | 6 | 2.1 | 291 |
| Access to railroads | 73 | 25.4 | 187 | 65.2 | 27 | 9.4 | 287 |
| Access to airports | 77 | 27.0 | 200 | 70.2 | 8 | 2.8 | 285 |

By degree of unionization, a somewhat greater percentage of all firms with an in-plant training program were lightly unionized while a larger percentage of those firms without such a training program were heavily unionized. It can be concluded that the presence of lower skilled workers understandably creates a need for training programs, but that in heavily unionized firms there is a somewhat less than average incidence of such programs.

## Growth Plans

San Francisco manufacturing firms were asked about their growth expectations, and as Table 25 shows, a surprisingly high percentage (38 percent) advised that they did not expect to expand in the future. Furthermore, growth plans were moderate, with about 26 percent indicating that they expected to grow at less than 20 percent during the next five years.

### Table 25
### GROWTH EXPECTATIONS OF RESPONDENT FIRMS

(Do you anticipate an increase or decrease in employees during the next five years?)

| | Percent of All Firms Responding |
|---|---|
| Expect to grow | 52.4% |
| Do not expect to grow | 38.1 |
| No data | 9.4 |

(Please estimate the percentage increase or decrease in employment over the next five years.)

| | |
|---|---|
| Expect to increase employment 20% or more during the next five years | 37.3% |
| Expect to increase employment less than 20% during the next five years | 25.8 |
| No data | 36.9 |

Future use of land in San Francisco for industrial purposes depends largely on the requirements of San Francisco's manufacturing industry for additional space per employee for working purposes, storage, amenities, parking, loading and unloading, etc. Six factors were examined which potentially affect the firm's space requirements per employee. While a majority of the responses indicated that these factors would either moderately increase future space needs per employee or have little effect on them, changing product lines is considered more important than either changes in production techniques or, the introduction of automated processes.

## Relocation Plans

A surprisingly high percentage of the total respondents (35.8 percent) are currently planning to relocate their manufacturing operations in the future. A majority of these potential relocatees (19.2 percent of 35.8 percent) plan to leave the City. However, relatively few indicated plans to relocate outside of the Bay Area.

### Table 26
### RELOCATION PLANS

(Are you planning to leave the present site for any reason, including expansion at a new site? If so, where will the future site be located?)

| | Percent of All Frims Responding |
|---|---|
| Stay at present site | 64.2% |
| Relocate in San Francisco | 16.6 |
| Relocate other Bay Area | 15.1 |
| Relocate other California | 2.8 |
| Relocate non-California | 1.3 |
| Total | 100.0% |

Analysis shows that the probability of a San Francisco manufacturing firm remaining at its present site declines with the age of the building it occupies. The need to renew San Francisco's industrial space appears to be quite closely linked to the need to retain industry within the City limits.

## Markets for San Francisco Manufacturing

The manufacturer's survey yielded a wealth of information on local operating and marketing questions. Of particular interest is data on the markets for the City's manufacturing firms. In order to obtain this information, the median level of annual sales reported by the respondents was calculated to yield industry average sales volumes in the various geographic regions and types of customers. The results of this analysis shows first that the three dominant industries serving the local (or San Francisco) market are food and kindred products, printing and publishing, and fabricated metal products. This is shown in Table 27 on the following page.

The first of these product groups--food and kindred products--is seen to be of even greater importance when we look at total sales of San Francisco manufacturing to all locations (also shown in Table 27). Food products are also significant throughout the country and in terms of foreign exports. On the other hand, chemicals and allied products, which are not particularly significant in the San Francisco market, enjoy large sales volumes outside of the City, both in California and in the rest of the world. Foreign sales of manufactured products include a high percentage of miscellaneous manufactured goods as well as the products of the food and kindred products industry.

According to Table 28, less than half of the market for San Francisco manufactured products is in the Bay Area. Non-California destinations account for more than a third of the total volume of sales.

Printing and publishing and the paper industry are relatively highly dependent upon regional markets, as are stone, clay, and glass products and the rubber and plastics industry. Manufacturing of ordnance and accessories is also based primarily on servicing local markets, many of whom are wholesalers ultimately shipping outside of the region. The instruments and related products industry also has a strong regional orientation.

Given this distribution of markets, we might expect the growth rate of externally oriented firms to be more closely related to the growth in gross national product than the growth of regionally oriented firms which would be more heavily dependent upon the rate of economic progress in the San Francisco Bay Region.

As might be expected, the lumber and wood products industry is almost exclusively confined to local and regional markets. On the other hand, miscellaneous manufacturing is more dependent upon extra-regional markets than upon local markets.

## Table 27
## PERCENTAGE OF GEOGRAPHIC MARKETS BY INDUSTRY

| Industry | San Francisco | Other Bay Area | Other California | Non-California | Foreign | Total |
|---|---|---|---|---|---|---|
| Not given | 5% | 12% | 11% | 9% | 5% | 9% |
| Food and kindred products | 21 | 25 | 30 | 44 | 30 | 31 |
| Textile mill products | 2 | 3 | 4 | 6 | -- | 4 |
| Apparel and related products | 2 | 1 | 1 | 1 | -- | 1 |
| Lumber and wood products | 3 | 12 | 1 | -- | -- | 4 |
| Furniture and fixtures | 2 | 3 | 1 | 1 | -- | 2 |
| Paper and allied products | 1 | -- | -- | -- | -- | -- |
| Printing and publishing | 20 | 4 | 11 | 5 | -- | 9 |
| Chemical and allied products | 3 | 6 | 16 | 11 | 13 | 9 |
| Rubber and plastic products | 1 | 1 | -- | -- | -- | 1 |
| Fabricated metal products | 15 | 7 | 4 | 3 | 1 | 6 |
| Machinery except electrical | 7 | 2 | 1 | 6 | 2 | 4 |
| Electrical machinery, equipment, and supplies | 8 | 8 | 4 | 2 | 1 | 5 |
| Transportation equipment | 2 | 4 | 10 | 1 | 7 | 4 |
| Other manufactured products | 8 | 11 | 6 | 10 | 40 | 11 |
| Total All Industries | 100% | 100% | 100% | 100% | 100% | 100% |

## Table 28
## SHARE OF SAN FRANCISCO MANUFACTURING INDUSTRY SALES BY AREA

| Industry | San Francisco | Other Bay Area | Other California | Non-California | Foreign | Total |
|---|---|---|---|---|---|---|
| Not given | 11% | 34% | 24% | 28% | 3% | 100% |
| Ordnance and accessories | 66 | 12 | 22 | -- | -- | 100 |
| Food and kindred products | 14 | 21 | 20 | 40 | 5 | 100 |
| Textile mill products | 12 | 22 | 21 | 45 | -- | 100 |
| Apparel and related products | 33 | 20 | 20 | 26 | 1 | 100 |
| Lumber and wood products | 17 | 80 | 3 | -- | -- | 100 |
| Furniture and fixtures | 22 | 43 | 13 | 22 | 1 | 100 |
| Paper and allied products | 64 | 25 | 6 | 5 | -- | 100 |
| Printing and publishing | 46 | 13 | 25 | 15 | -- | 100 |
| Chemicals and allied products | 6 | 18 | 35 | 33 | 8 | 100 |
| Rubber and plastic products | 38 | 45 | 12 | 4 | 1 | 100 |
| Stone, clay, and glass products | 38 | 40 | 15 | 4 | 3 | 100 |
| Fabricated metal products | 46 | 29 | 11 | 12 | 1 | 100 |
| Machinery except electrical | 36 | 11 | 6 | 43 | 3 | 100 |
| Electrical machinery, equipment, and supplies | 32 | 42 | 15 | 10 | 1 | 100 |
| Transportation equipment | 9 | 27 | 47 | 7 | 9 | 100 |
| Instruments and related products | 45 | 22 | 27 | 5 | -- | 100 |
| Other manufactured products | 16 | 28 | 11 | 25 | 21 | 100 |
| Total All Industries | 21 | 26 | 20 | 28 | 6 | 100 |

Table 29 shows the distribution of Bay Area sales (i.e., San Francisco plus the remainder of the Bay Area) among the various categories of customers. The rubber and plastics and fabricated metal products industries are both highly dependent upon other local manufacturers for their local sales. Printing and publishing; machinery except electrical; and electrical machinery equipment, and supplies all enjoy a large market with "Other" local purchasers such as business and governmental offices.

Perhaps the most surprising finding of all is the extent to which San Francisco industry is independent of Federal Government procurement. In total, only 3 percent of the Bay Area market for manufactured products is created by the Federal Government.

## A PROFILE OF LABOR INTENSIVE FIRMS

A principal analytical tool in the use of the survey responses has been to establish a "profile" of industrial firms that would appear most closely to meet the job generation goals of the Butchertown Redevelopment Project. In this connection we have assumed that this classification of firms would be characterized by labor intensive companies with a significant percentage of the less specialized occupations.

It is our assumption that jobs requiring a minimum of training will best meet the immediate need for increased employment in South Bayshore. These occupations include semi-skilled trades (i.e., assemblers, drivers, inspectors, other operatives, etc.) as well as unskilled workers.

Accordingly, we have separated the responses of 167 firms who indicated that their work force was 50 percent or more semi-skilled or unskilled employees. The responses of these firms have been contrasted with the responses of all firms in Table 30. The table is actually composed of eight sub-tabulations distinguishing various characteristics of labor intensive firms.

Thus, the distinguishing elements of the profile are the differences between these labor intensive firms and all firms responding.

In regard to industry groupings, we also find labor intensive firms concentrated in the three major industry groups noted in Table 16. However, in the case of printing and publishing firms, relatively fewer are low skill labor intensive. This can be taken to mean that printing and publishing firms may represent an opportunity for Butchertown because there are a large number of such firms in the San Francisco area. As to skills level, however, relatively fewer of these firms have a high requirement for semi and unskilled

Table 29

SHARE OF SAN FRANCISCO MANUFACTURING INDUSTRY SALES BY CUSTOMER TYPE

| Industry | Local Manufacturers | Local Wholesalers | Local Retailers & Householders | Other Local Customers | Federal Government | Total |
|---|---|---|---|---|---|---|
| Not given | 5% | 6% | 86% | 3% | --% | 100% |
| Ordnance and accessories | -- | 100 | -- | -- | -- | 100 |
| Food and kindred products | 3 | 43 | 42 | 9 | 2 | 100 |
| Textile mill products | 2 | 6 | 51 | 40 | 1 | 100 |
| Apparel and related products | 23 | 5 | 71 | -- | 1 | 100 |
| Lumber and wood products | 35 | 5 | 55 | 4 | 1 | 100 |
| Furniture and fixtures | -- | 7 | 84 | 9 | -- | 100 |
| Paper and allied products | 41 | 12 | 36 | 7 | 3 | 100 |
| Printing and publishing | 9 | 4 | 37 | 49 | -- | 100 |
| Chemicals and allied products | 36 | 15 | 30 | 13 | 7 | 100 |
| Rubber and plastic products | 76 | 18 | 6 | -- | 1 | 100 |
| Stone, clay and glass products | 28 | 16 | 45 | 6 | 4 | 100 |
| Fabricated metal products | 79 | 6 | 3 | 8 | 3 | 100 |
| Machinery except electrical | 7 | 2 | -- | 82 | 9 | 100 |
| Electrical machinery equipment and supplies | 14 | 15 | 10 | 51 | 9 | 100 |
| Transportation equipment | 3 | 13 | 71 | 12 | -- | 100 |
| Instruments and related products | 17 | 33 | 27 | 12 | 12 | 100 |
| Other manufactured products | 16 | 6 | 73 | 3 | 2 | 100 |
| Total All Industries | 20 | 16 | 43 | 19 | 3 | 100 |

Table 30
PROFILE OF FIRMS WITH 50 PERCENT OR MORE
OF WORK FORCE IN SEMI OR UNSKILLED TRADES

(Based upon 167 responding firms indicating such work force composition.)

| Industry | Semi and Unskilled Labor Firms | All Responding Firms |
|---|---|---|
| Ordnance and accessories | --% | 0.6% |
| Food and kindred products | 12.0 | 10.3 |
| Textile mill products | 4.8 | 3.8 |
| Apparel and related products | 4.8 | 6.7 |
| Lumber and wood products | 4.8 | 5.2 |
| Furniture and fixtures | 4.2 | 5.2 |
| Paper and allied products | 4.2 | 2.5 |
| Printing and publishing | 10.1 | 15.3 |
| Chemicals and allied products | 3.6 | 4.0 |
| Rubber and plastic products | 3.6 | 2.9 |
| Stone, clay and glass products | 1.8 | 1.7 |
| Fabricated metal products | 16.1 | 12.2 |
| Machinery except electrical | 4.2 | 3.4 |
| Electrical machinery, equipment and supplies | 5.4 | 3.8 |
| Transportation equipment | 3.1 | 1.9 |
| nstruments and related products | 0.6 | 0.4 |
| Other manufactured products | 9.0 | 10.5 |
| No data | 7.2 | 9.6 |
| Total | 100.0% | 100.0% |
| **Employment Size** | | |
| 1-9 workers | 18.5% | 36.1% |
| 10-19 | 22.7 | 21.0 |
| 20-49 | 23.4 | 17.2 |
| 50-99 | 20.4 | 13.0 |
| 100-499 | 11.4 | 7.5 |
| 500 or more | 3.6 | 2.9 |
| No data | -- | 2.3 |
| Total | 100.0% | 100.0% |

| | Semi and Unskilled Labor Firms | All Responding Firms |
|---|---|---|
| **Production Workers in Unions** | | |
| 0-19% | 1.8% | 1.5% |
| 20-79% | 7.2 | 10.0 |
| 80-99% | 63.5 | 42.8 |
| No data | 27.5 | 45.7 |
| Total | 100.0% | 100.0% |
| **Year Established** | | |
| Pre-1930 | 42.5% | 42.1% |
| 1930-1939 | 15.0 | 12.8 |
| 1940-1949 | 15.0 | 16.4 |
| 1950-1959 | 18.5 | 17.4 |
| 1960 or later | 9.0 | 11.3 |
| Total | 100.0% | 100.0% |
| **Age of Building** | | |
| Pre-1930 | 53.9% | 51.8% |
| 1930-1939 | 14.4 | 10.9 |
| 1940-1949 | 15.5 | 14.3 |
| 1950-1959 | 4.2 | 3.5 |
| 1960 or later | 7.8 | 7.1 |
| No data | 4.2 | 12.4 |
| Total | 100.0% | 100.0% |
| **Growth Expectations** | | |
| Expect to increase employment 20% or more during the next five years | 35.9% | 37.3% |
| Expect to increase employment less than 20% during the next five years | 34.7 | 25.8 |
| No data | 29.4 | 36.9 |
| Total | 100.0% | 100.0% |

| | Semi and Unskilled Labor Firms | All Responding Firms |
|---|---|---|
| **Relocation Plans** | | |
| Planning to move | 28.7% | 26.6% |
| Not planning to move | 61.7 | 57.4 |
| No data | 9.6 | 16.0 |
| Total | 100.0% | 100.0% |

| | Semi and Unskilled Labor Firms | All Firms Planning to Move |
|---|---|---|
| **Movers' Preference for Industrial Park Location** | | |
| Prefer industrial park location | 56.3% | 42.5% |
| Do not prefer | 37.5 | 43.3 |
| No data | 6.2 | 14.2 |
| Total | 100.0% | 100.0% |

workers. Conversely, fabricated metal and food manufacturers have a relatively higher need for semi and unskilled job holders.

In contrast to the average employment size of all San Francisco manufacturing firms, the labor intensive firms are somewhat larger in size. The median point for the latter would be in the 20 to 49 employee size category as contrasted with the 10 to 19 employee category, which is the median for San Francisco manufacturing firms as a whole.

Union membership among production workers in the labor intensive firms is higher than that of the average for all San Francisco manufacturing firms.

Labor intensive firms would appear to be somewhat older than non-labor intensive firms. Although there is relatively little difference in age of firm between small low-skill labor intensive firms and the average for all small firms, the larger labor intensive firms are decidedly older than the average for all large firms.

As to growth outlook, there is some indication that labor intensive firms have more modest growth expectations than the overall average for San Francisco firms. However, there is no indication that labor intensive firms are more ready to relocate than are all firms in general.

And finally, analysis indicates that among those firms that do intend to move, the more labor intensive firms prefer an industrial park location to a greater extent than do all San Francisco manufacturing firms.

Specifically, we find that a majority of the respondents in the chemical and allied products, rubber and plastic products, machinery except electrical, and electrical machinery industries were favorably disposed toward an industrial park future location. On the other hand, firms in the food and kindred products, lumber and wood products, printing and publishing industries contained a majority of respondents who are not in favor of an industrial park location.

## FACE-TO-FACE RESPONSES TO THE BUTCHERTOWN CONCEPT

In addition to the mail survey described above, Development Research Associates staff members personally interviewed some 75 manufacturing firms both in San Francisco and elsehwere in the Bay Area. In addition to the comprehensive questionnaire used in the mail survey, in the personal interviews we included questions relating specifically to reactions toward Butchertown and the proposed redevelopment project. (A copy of this interview questionnaire appears as Appendix B-2.)

An overall conclusion of this survey is that responses to the future redevelopment of the project are largely cast in terms of existing attitudes toward the Butchertown Area. Thus, we find an underlying concern with the unattractive industrial environment as it exists today in Butchertown. This can be seen in Table 31 on the following page.

## ADVANTAGES OF A BUTCHERTOWN LOCATION

As can be seen in Table 31, respondents indicated almost 60 percent that Butchertown offers them no advantage whatsoever as an industrial location. Among advantages cited, the proximity of customers received the greatest number of mentions, followed by proximity to a good labor source.

## MAJOR DISADVANTAGES IN THE BUTCHERTOWN AREA

There was a greater variety of drawbacks cited by survey respondents to a location in Butchertown. Potential security problems seem to represent the greatest disadvantage. This was followed by lack of proximity from customers. The latter factor reflects the large number of interviews held with firms located in the downtown area, serving primarily a downtown market.

## VOCATIONAL TRAINING

In answer to the question of locating a vocational training center in the redevelopment project area itself, most respondents indicated it would not be desirable. As can be noted, approximately two out of three respondents indicated vocational training itself was relatively unnecessary in connection with their firm's operations. Most respondents stated that their operations were such that the skills required could not be readily taught in a vocational training center. This supports the earlier conclusion that the level of skills in San Francisco manufacturing operations are of a high level, and cannot be taught in a typical vocational training program.

Among respondents who felt that vocational training was desirable, most opted for a relatively short period of basic training--perhaps not more than two years.

## Table 31
## FACTORS INFLUENCING DEMAND FOR LAND IN BUTCHERTOWN

1. For firms in your industry what would be the advantages, if any, of a location in this area?

| | |
|---|---|
| Close to customers | 12.8% |
| Close to labor | 8.6 |
| Other | 8.6 |
| Good access | 4.3 |
| No advantage | 57.1 |
| No answer | 8.6 |
| Total | 100.0% |

2. What would be the disadvantage of this location?

| | |
|---|---|
| Security | 29.5% |
| Too far from customers | 17.0 |
| Bad image | 6.8 |
| High taxes | 6.8 |
| High land cost | 5.7 |
| High labor cost | 4.5 |
| Inadequate transportation | 3.5 |
| Strong unions | 2.4 |
| Too far from employees | 2.3 |
| Too close to residential | 1.1 |
| Other | 6.8 |
| No answer | 6.8 |
| Total | 100.0% |

3. Would vocational training be desirable?

Yes: 26.9% No: 73.1%

4. Would it be desirable to have a skills center located in the industrial park?

| | |
|---|---|
| Yes | 25.0% |
| No | 52.9 |
| No answer | 22.1 |
| Total | 100.0% |

5. Would it be desirable to have a city-owned and operated ball field in the industrial park for evening and weekend industrial play?

Yes: 43.3% No: 56.7%

| Advantages | Disadvantages |
|---|---|
| Break from work | Would not be used |
| Good for local community | No time |
| | No interest |
| | Employees are women |

6. What facilities would you like to have in an industrial park?

| | |
|---|---|
| Rail spur | 16.7% |
| Central truck terminal | 16.7 |
| Restaurant | 14.0 |
| Post office | 14.0 |
| Bank | 7.7 |
| Underground utilities | 6.8 |
| Good access | 5.0 |
| Wide streets | 3.6 |
| Parking | 2.3 |
| Adequate utilities | 1.8 |
| Public transportation | 1.8 |
| Attractive appearance | 1.4 |
| Other | 3.2 |
| No answer | 5.0 |
| Total | 100.0% |

7. What types of industry would be objectionable neighbors?

| | |
|---|---|
| None | 29.4% |
| Those that: | |
| Cause odors | 21.6 |
| Make noise | 14.7 |
| Process meat | 13.7 |
| Pollute the air | 4.9 |
| Cause blight | 4.9 |
| Are dirty | 2.9 |
| Other | 7.8 |
| No answer | 1.0 |
| Total | 100.0% |

### RECREATION FIELD

In response to the question as to location of industrial use ball fields in the proposed park, over 40 percent of the respondents stated such facilities would be desirable. However, most respondents felt the advantage lay primarily for use of the ball field by the local community rather than solely for the use by the worker population of the project area. It should be remembered that most manufacturers responded in the knowledge that their present work force resides relatively far from their place of work. Assuming that the job generation goals of the redevelopment project area were accomplished and that many of the industrial park employees would be residents of the surrounding community, it is indicated that the ball fields would be used by workers in their off hours.

### DESIRED FEATURES

Manufacturers indicated that rail and truck facilities were most strongly desired in a new industrial park. Next in order of importance were restaurants and a post office. In general, the survey respondents pictured an industrial environment in which good access (particularly from the potential freeway system) adequate parking and off-street loading were major favored features of the proposed industrial park. Even among small firms who are used to intensive land use in industrial areas, the Development Research Associates interviewers ascertained a pleasant, park-like industrial environment is favored.

### OBJECTIONABLE NEIGHBORS

As to what type of industrial neighbors would be objectionable, the condition of present Butchertown land uses was clearly evident. Interestingly enough, almost 30 percent of the respondents said no neighboring use would be objectionable. However, those that did respond listed odoriferous operations, meat processing operations, and noise makers.

## SURVEY OF LOCAL SUPPORT INDUSTRY OPPORTUNITIES

We conducted a brief survey of selected organizations in the Bay Area to determine the likelihood that support operations might be attracted to a redeveloped Butchertown, keyed to proximity to existing or planned industrial

developments in the area. Representative firms in ship services (oriented to expanded San Francisco Port Authority operations in the neighborhood) were contacted, as were food and laundry operators, and the Navy Shipyard at Hunters Point. Summarized below are the results of this special survey.

## SHIPYARD SUPPORT OPERATIONS

The Navy facility is a substantially self-contained operation. With the exception of steel supplies and certain specialized electronic equipment, the shipyard does not draw upon a local support industry to a great degree. This is largely the result of the basic nature of shipyard operation, which require on-site fabrication. We conclude that the Navy shipyard, despites its size, is unlikely to create a local need for support industry such as might be attracted by the immediate proximity afforded by the Butchertown area.

## SHIPS SERVICES

This category of potential support industry is divided into a number of separate types of operations, which will be discussed below. All of these services exist today in the Bay Area. Their possible application to Butchertown, however, will be keyed to the substantial expected growth in port activities in the immediate Butchertown area.

### Ship Maintenance and Cleaning

The close proximity of Butchertown for this service is only a partial advantage due to the lack of waterfront access. These firms usually have floating equipment which requires docking facilities. However, firms that do not have floating equipment, should find Butchertown a good location.

The labor needs of these firms are in both the skilled and unskilled levels: painters, scrapers, sandblasters, clean-up, etc. All firms contacted felt the area offers great labor sources, although most of their employees are union members.

### Ship Repair

Firms in this industry generally require dock areas (such as ship's ways). There are certain functions that can be accomplished on board or away from the ship such as machining and the like. Firms contacted stated Butchertown is a good location, however, the labor force is almost all skilled and would offer little immediate employment for the people in the area.

### Ship's Chandlers (Suppliers)

Two ship chandlers were contacted. Since they serve the entire Port area, both respondents felt Butchertown to be too far removed from their customers. The labor level is in keeping with the needs of the project, but not very intensive (warehouse-distribution). They also indicated a need to be near banks and other commercial establishments.

### Container Manufacturing

Firms in this industry generally felt the Butchertown area to be an excellent location for their operations. Immediate proximity to customers--while not absolutely necessary--is extremely desirable.

Not only did industry members believe Butchertown to be in good proximity to their customers, but also the surrounding area offers a great source of labor supply. Generally, the labor needs are unskilled (70 percent) consisting of woodworkers, general helpers, and fasteners. Skilled workers include welders and painters. One firm uses people from vocational centers and have found them to be very satisfactory.

With the expected eventual development of 132 acres of Port Authority land (immediately adjacent to Butchertown) into a storage yard and terminal for containerized operations, we anticipate that more firms will wish to locate in the South Bayshore area.

## LAUNDRY OPERATIONS

Industrial laundries generally felt Butchertown to be a good location. They have need for unskilled labor--mostly women--for such activities as sorting, counting, pressing, etc. Men are used primarily as drivers, clean-up, and

for heavier work. Cleaning plant facilities tend to locate in outlying inexpensive areas, as close proximity to customers can be offset by good access and transportation. Therefore, low land cost is an important consideration for them.

## AIRLINE FOOD CATERING

Response from these operations was negative because of the extreme importance of direct access to the airport to meet precise flight schedules. The maximum distance from the airport for these firms is three miles and that distance is permitted only if there are several direct alternative routes available. Most indicated that within one mile of the airport was desirable; e. g., United Airlines is moving its kitchen off the airport proper, but will still be within one mile.

Airline carterers employ unskilled labor to assemble, package, wash dishes and general clean-up. Their skilled labor consists of cooks.

# IV

# MARKETING INDUSTRIAL LAND IN THE BUTCHERTOWN INDUSTRIAL PARK

In this section we will analyze the mass of information presented in the preceding two sections to yield conclusions on the sales program for the project area as well as to help reach decisions on the economic considerations of the redevelopment plan. In this analysis we will be particularly concerned with the impact of the job generation goals of the project upon absorption rates and the elements of a successful marketing program keyed to the problems and opportunities of the project area.

## SAN FRANCISCO INDUSTRIAL TRENDS

Summarizing the information presented earlier we can characterize the San Francisco industrial base in the following way:

- Manufacturing has never dominated the City's economic life. San Francisco started as a distribution and commercial center, and these sectors have continued to expand. In recent years we have seen dramatic growth in the administrative-financial sectors and in tourism-oriented businesses, while manufacturing has declined relatively.

- In response to the growth of non-manufacturing activities in the City, San Francisco's manufacturing has become characterized by small units selling locally. Many of the manufacturing units--particularly printing and paper houses--are largely supported by the City's expanding administrative-financial base.

- The City continues to act as an incubator for new industry. These new firms are located throughout the City, but primarily on the periphery of the downtown area. When and if these new firms prosper, they tend to move out of the City due to the absence of available space for expanded quarters.

- Existing firms also leave San Francisco due to comparatively high labor costs, high taxes and land costs. The departure of manufacturing coupled with the increase in office and commercial employment has brought about a shift in the industrial base from a manufacturing to a distribution and warehousing

emphasis. Accordingly, most of the new industrial space being erected in or near the City is for distributive purposes.

- The existing labor force in San Francisco industry has the following characteristics: It is well established and predominantly white rather than of minority races. Occupations are relatively high skill; workers are highly unionized, well paid and have been on the job for a greater than average period of time.
- There is a persistent shortage of skilled workers who are electrical workers and electronics technicians, and also machinists and combination welders in the San Francisco region.

Trends in San Francisco manufacturing suggest that there is a real and serious need for new industrial land located within the city limits.

However, characteristics of the labor force suggest that there may be difficulties in introducing the Negro residents of the South Bayshore Area into the existing San Francisco labor force. The dramatic changes occurring in civil rights and economic opportunities make these the most dynamic part of our society. What seemed certain yesterday may well be questioned today. A decade ago Negro workers who were well-educated and well-qualified nonetheless were largely excluded from skilled jobs. Today when vacancies occur higly qualified Negroes are much more likely to be considered.

For Negro blue collar workers the problem remains acute. In the past some occupations and industries have been more accessible than others to Negroes. It seems apparent that this pattern too is changing, and can be expected to change further. In view of the objective of maximizing employment opportunities for residents of the South Bayshore Area, in selling land for new industrial development the Redevelopment Agency will have to keep abreast of the current state of progress in making blue collar job opportunities accessible to Negroes in each industry and occupation which might be involved in the new development.

## SITE LOCATION FACTORS

With reference to the locational factors of the Butchertown area, it can be readily seen that the proximity to the new Hunters Point Freeway and Southern

Crossing are prime site location features of the Butchertown area. In addition, existing and proposed developments in the port area neighboring Butchertown are important in terms of introducing support industries to Butchertown. Finally, located within the San Francisco City limits, the proximity to downtown San Francisco is a major favorable feature of this industrial acreage.

The surrounding area, suffers from mixed land uses, evidence of blight, severe congestion and overcrowding. However, these drawbacks do not seem to be serious enough to affect adversely the Butchertown development program.

On the contrary a well-planned Butchertown industrial park could capitalize upon the comparatively undesirable features of the surrounding area to attract industrial land users.

Consideration of basic trends in San Francisco manufacturing and the attributes of Butchertown as an industrial location, suggests that under a typical development and marketing program, a properly planned and developed

## SOIL CONDITIONS

The poor condition of soils in the Butchertown area are well known throughout the San Francisco community. These problems must be overcome satisfactorily before the selling program can be undertaken.

Soils of poor quality are not limited to the Butchertown area, although we were not able to find comparable areas where filling procedures and materials were as inferior as in Butchertown. In Richmond, the Galvin industrial redevelopment project has been partially built on filled land, as has the private Utah Construction and Mining Company South San Francisco Industrial Park. In both cases, however, filling was regulated and selected fill materials were used. In the case of South San Francisco, the developers were able to plan around the inferior sections of the area, and much of the filled land is occupied by streets and other light load bearing uses. At the Galvin Park, the Richmond Redevelopment Agency provided specialized engineering assistance at no cost to potential buyers to help solve construction problems.

In both of those industrial parks, however, otherwise willing prospects were lost due to the inferior quality of the soils. The following recommendations are made with the intent of avoiding in Butchertown some of the problems of poor soil conditions encountered elsewhere.

- Provide engineering assistance to consult with potential buyers and their engineers. Perform engineering studies of both soil and structural conditions, all aimed at matching the structures with the load bearing capabilities of the land. Engineering recommendations would then be tailored to the particular needs of individual prospects and should produce the optimum method of supporting the necessary structures. Examples of such recommendations would include:

    1. Attempt to plan around the worst land areas so that the minimum amount of building occurs there. Typical light load bearing uses include the central truck terminal or storage areas for the more extensive industries to locate in the park.

    2. Investigate the use of building jacks, rather than pilings or floating slab foundations. This technique has been utilized successfully in the Utah Construction development in South San Francisco. At the present time, however, jacks cannot be used with tilt-up construction.

    3. Investigate the economics of simple slab flooring that can be paved over periodically as cracks or dislocations due to uneven settling appear. In certain cases this technique has proven to be considerably less expensive than other forms of foundations.

## AN INDUSTRIAL PARK ENVIRONMENT

Of primary importance, regardless of all other considerations is to gain a common understanding of what type of industrial area will be developed in Butchertown. In previous text, we have consistently referred to the proposed development as an industrial park. Earlier we have defined an industrial park as follows: An industrial park has the following attributes: (1) land must be graded for use, (2) streets and all utilities, including industrial railroad tracks, if required, must be installed or committed; (3) land use controls must be defined by deed or lease restrictions or by local zoning ordinances; (4) architectural regulations must correspond to the type of classification of the area, e.g., light, medium, or heavy industry.

As can be seen the key distinguishing factors of the industrial park is the emphasis upon planning, standards and controls. Our research among manufacturers shows clearly that Butchertown should be developed as an industrial park and that reasonable standards and controls should be imposed.

When we speak of an industrial park we are not only concerned with the visual qualities of the area, i.e., landscaping, building types and the like; we are also concerned with controls that protect the industrial use of the land from the incursions of non-industrial uses, that enhance property values and that aid industrial operations. In the latter we definitely include:

- Access to the park for employees and freight.
- Interior access via wide uncongested roads.
- A defined park area, clearly and demonstrably buffered from neighboring residential areas, and just as clearly more attractive than nearby industrial sectors. Thus, a secure and attractive area into which employers can recruit more successfully.

In regard to restrictions we recommend standards that further these objectives. All restrictions should be carefully examined to insure that each is worthwhile and does not merely limit the developer's flexibility.

We also have in mind the close proximity of the project area to residential areas, particularly the proposed new Hunters Point community presently being planned, and the need to provide maximum visual amenities to these areas.

Accordingly, the following are recommendations of project standards and controls to be incorporated in the proposed Butchertown plan.

## STANDARDS AND CONTROLS

1. Require minimum setbacks. Front setback lines should be determined by the type of street on which the property fronts.

2. Setback lines should be measured from property boundary lines.

3. Establish minimum and maximum ground coverage allowance for building and other structures constructed on any one parcel. We suggest 30 percent minimum and 70 percent maximum ground coverage.

4. Set standards on allowable noise, odors, fumes, smoke, dust, vibration, and air pollution.

5. Require paved off-street parking. Suitable standards are approximately one parking space per 1-1/2 employees or one space per 600 square feet of interior building floor space.

6. Each parking space should be two hundred (200) square feet for parking of the automobile. Driveways and other space for the movement of cars is not included.

7. Roof construction that is easily visible from the street or ground level should be prohibited.

8. Require off-street facilities for all regular loading and unloading facilities.

9. Truck doors and docks should not face on collector or primary streets, and should be permitted to face feeder or secondary streets only if screened from view by an architecturally acceptable fence or wall.

10. Require all materials, supplies, and equipment to be stored in a closed building or behind an opaque screen at least six (6) feet in height.

11. Storage areas should be restricted to the rear of the parcel.

12. Establish suitable standards for outdoor signs. Billboards should be prohibited. We suggest signs be limited to identifying the name, business, and product of the firm or person occupying the premises.

13. Require adequate landscaping. All street front and side yard setback areas should be attractively landscaped.

14. Establish appropriate architectural standards on construction. Exterior walls of sheet or corrugated steel, aluminum, or asbestos should be discouraged.

15. Special architectural treatment should be given walls facing streets. Other walls should be color treated.

## Administrative Recommendations

The following administrative recommendations we believe will facilitate the execution of this redevelopment program.

1. Establish means of enforcing compliance with controls to assure the maintenance in good order, repair, and condition all structures, signs, fences, walkways, driveways, lawns and landscaping on each parcel.

2. Establish minimum size of disposition parcel of one-half acre.

3. Require a specific minimum development of a parcel within a given period after purchase.

4. Land should be sold rather than leased.

5. Establish a security system beginning with the first developer This system can be expanded as the project development increases.

6. Undergrounding of utilities is desirable as a competitive factor and to set a standard for possible future industrial parks planned for San Francisco.

7. Restrict on-street parking throughout the project as soon as site improvements are complete.

8. In the interest of economy, require tentative plans to be submitted for approval prior to development of final working drawings. Tentative plans should be at a reasonable scale and include a dimensioned plot plan, landscaping plan, building plan, storage areas, elevations, fences, barriers and color schemes.

9. Construct a completely new street pattern throughout the project and re-subdivide.

10. Be flexible in overall project plotage. No precise lot line should be set until a parcel is sold. However, do not jeopardize the general objectives of the industrial center in tailoring a specific parcel for a specific company.

11. Provide adequate street identification and street lighting throughout the project.

## Specific Comments

During the course of the study, we were requested to consider planning elements of the Butchertown area. The following comments are pertinent:

- We would prefer to see the south side of Evans completely cleared and redeveloped in the same way as the rest of the project area. Failing this, we recommend that stringent rehabilitation standards be applied to the retained properties. Off-street parking should be required as elsewhere in the project, and all other efforts should be expanded to bring south of Evans up to the level of the rest of the project.
- Regarding buffer areas between the industrial park and residential sectors, we would hope that the designated "no man's land" between Hunters Point and Butchertown be included in these projects. This would permit an effective buffer between the two types of land uses.
- For controlling the total floor area contained in a building we suggest the total floor area contained in all main buildings on a parcel shall not exceed 2 to 2.5 times the buildable area of said parcel. We recommend, however, that a limit be placed on the height of 35 to 45 feet, of (three or four stories) a building as a means of protecting the views of the residential areas in surrounding hills.

## Summary

The planning considerations, standards and controls described above will create what we believe to be an optimum environment for successful land sales, regardless of the job generation and associated goals of the project. In consideration of those goals, however, we believe the establishment and maintenance of these standards to be of even greater importance.

## PARCEL SIZES AND PATTERN

### Size Mix

To arrive at an indicated mix of parcel sizes in the proposed industrial park we tabulated existing floor areas of those firms in San Francisco that stated they expected to grow within the next five years and projected this present need into land area requirements to accommodate anticipated growth. This tabulation indicated that there is a great demand for small parcels of land. Approximately 75 percent of these firms will need parcels in the one-half to two acre sizes[1]. (The complete data are presented in Appendix Table C-1.)

Based upon these demand factors and the general trend in other industrial parks in the San Francisco Bay Area we recommend a parcel mix as shown below. The recommended parcel sizes include space for off-street parking. (This, of course, is an approximate distribution and could be modified by engineering and planning considerations.)

| Parcel Sizes in Acres | Percent of Net Land Area | Acres |
|---|---|---|
| 1/2 to 1 | 50% | 38.0 |
| 1-1/4 to 2 | 25 | 19.0 |
| 2-1/4 to 3 | 15 | 11.4 |
| 3-1/4 to 5 or more | 10 | 7.6 |
|  | 100% | 76.0 |

### Indicated Parcel Pattern

During the course of the study, we were requested to consider--from a marketing standpoint--the location of parcels by size within the project area. We have approached this consideration primarily from the standpoint of the location of a rail spur to serve the project area. Alignment of the rail spur is influenced by (and influences) the distribution of parcels from a functional standpoint. Although, it is recognized that such location is influenced by engineering as well as marketing questions.

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[1] Since not all the questionnaires had been returned at the time we completed this analysis, it is based on approximately 90 firms who signified they would be growing in the future. We believe this is more than an adequate number of respondents to serve as a basis for this analysis.

From the marketing standpoint, we strongly recommend that a rail spur be located within the project. This obviously improves marketability to potential land buyers who are rail users. Even for non, or infrequent, rail users existence of a rail spur enhances the value of their land in the case of potential resale to rail users. Also, the existence of rail has a beneficial influence in negotiations on truck freight rates.

The following points should be of help in the land planning process.

- We understand that at least one and perhaps two of the existing meat processing firms have indicated interest in acquiring sizable new parcels in the redeveloped area. Because of the nature of their operations, we understand these firms will be restricted to the eastern sector of the project.
- Speaking very generally, larger firms (and thus larger land users) are more likely to require rail access than are small firms. Since the rail line would enter the north sector of the project and might be expensive to extend to the vicinity of Evans, this suggests that larger parcels might be grouped in the northeastern sector of the project.
- Under existing retention patterns, it is clear that parcels south of Evans will be characterized by the small land users already located there.
- Although potential parcel size ranges are not extreme in this case, it is desirable from a marketing standpoint to cluster smaller parcels and separate them from the larger offerings. Offering large and small parcels in the same sector often complicates sale of the larger lots.

Accordingly, we would recommend that to the extent possible larger land parcels be grouped in the northeastern sector of the project area. An obvious exception to this general pattern would be small meat processors who are required to settle in the eastern sector. The rail spur should be oriented to provide direct access to as many of these parcels as possible. In addition, a public track should be available to meet the needs of occasional rail users within the park.

## OTHER INDUSTRIAL PARK FEATURES

In addition to the above, the results of our analysis shows that certain other features should be introduced into the proposed industrial park. A brief discussion of each of these is presented below.

## Commercial Uses

Results of the Development Research Associates survey of industrial firms in San Francisco confirms the need for selected commercial facilities in the Butchertown industrial park.

Most frequently mentioned were restaurants and a post office, followed by a bank.

The restaurants would be primarily patronized by the white collar workers in the park--male administrative personnel and female secretarial. The blue collar workers ordinarily bring their lunches to the job. Regardless of the patronage mix, this would be almost exclusively a lunch time trade.

In addition, we recommend that a moderate amount of office space within the project area be considered to accommodate certain business service firms that find it desirable to be convenient to their industrial customers. Examples of such firms are machine reproduction, telephone answering service, public stenographer and notary public. Depending upon the ultimate number, type and size of industrial firms in the park, other types of business oriented services might logically locate in the project, e.g., office supply outlet, travel service, brokers or other non-warehousing middlemen.

Food service should include both full service (food and beverage) restaurant and coffee shop facilities.

Location along Third Street is important so that these commercial facilities can serve the extended industrial community as well as the park itself. However, they should be not only in the project area but strongly oriented to it (turned inward, rather than toward Third Street) for ease of access and identification of park industrial occupants.

## Truck Terminal

A common use truck terminal should be located within the park. This feature (and a rail spur mentioned above) were indicated to be most in demand by our manufacturing firm respondents. The terminal would be operated by a private company and would serve primarily as an assembly/distribution point for longer distance shipments. As to location, the truck terminal might well be sited beneath the freeway or some other area within the park not suitable for manufacturing space. It might also serve the needs of the new Port Authority containerization facilities as these are developed directly to the east of Butchertown.

## Security System

Whether we agree or not, manufacturers feel that lack of security of their facilities in Butchertown would be a major drawback to location in the park. Accordingly, we recommend that security be provided early in the development period prior to the disposition program. New buildings would come under the protection of this service as they were being constructed. In the interest of park development ugly cyclone fencing for security purposes should be prohibited.

## Recreational Areas

As noted earlier, we recommend a recreation area should be created in the buffer area between the Butchertown industrial area and the Hunters Point residential area. This area should be well lighted for night play and available for use by both the residents and the employees of the industrial area.

## Central Parking

We have emphasized frequently the need for off-street parking within the park area. Accordingly, we recommend full consideration be given to the possibility of constructing common use parking areas within the park. Potential land buyers could participate in the construction and maintenance of such facilities at a lower cost than that of company owned land for parking. These facilities, however, would have to be within easy walking distance for a maximum number of workers.

## Skills Centers

While our manufacturing firm respondents did not indicate a substantial interest in vocational programs, it must be remembered that the majority of these firms (indeed the majority of all firms in San Francisco) had higher skilled occupations for which training tends to be extended over a long period of time. In addition, a point raised not infrequently by the manufacturing respondents, was that the effectiveness of a vocational training program turns largely on the interest and cooperation of the local trade unions since in a highly unionized area such as San Francisco, most employees will need to join a union to

obtain employment. This suggests that any vocational training programs must be developed with the complete cooperation and support of the local unions, or whatever benefits might otherwise result from such programs would be negated.

In regard to a job training center, the results of our research suggests that there is a very real need for such a center within the South Bayshore community. However, we are not satisfied that Butchertown is the optimum location for such a center.

For instance, there is no indication that firms would choose to locate in Butchertown because of the existence of a job training center there. In addition, the training center must serve a substantially greater employment area than Butchertown alone. We, therefore, believe that the job training center should be located within the South Bayshore Area, preferably in the Bayview conveniently located to the residential community. We anticipate that the question of location will be answered in the job training study shortly to be undertaken.

If a more suitable alternative location cannot be found in the Bayview, then we would recommend the center be located in the industrial park, since it is absolutely mandatory that an effective job training center be organized in this section of San Francisco.

## Industrial Condominiums

In view of the large number of small firms that might be attracted to the new industrial park, we urge serious consideration of new concepts of joint ownership facilities. We feel industrial condominiums would be particularly well received for users in the south of Evans area.

## Room for Expansion

A major problem for industrial land users considering space in an industrial park, as well as park developers is how to assure a buyer of room for expansion sometime in the future. In some cases, this can be handled in the same way it is typically arranged in non-park purchases. The buyer initially obtains sufficient land to accommodate his long range growth needs. In Butchertown, this could be facilitated by:

1. Relaxing the requirement to develop within a specific period of time.
2. Permitting the land user to offer excess land for short term lease.

In situations where industrial park developers offer land for sale and lease, they will mix sale and short term lease parcels to provide future expansion to buyers. The Redevelopment Agency might consider this possibility, at least during the five or six year sales period. We strongly urge, however, that the means for future expansion of Butchertown land buyers be accommodated as this is a major reason for local manufacturers to relocate.

## EXISTING BUTCHERTOWN IMAGE

A major drawback to future disposition of industrial land in a redeveloped Butchertown is the existing poor image of this area. There are two critical elements involved: (1) the present land uses, most particularly odoriferous meat processing facilities, and (2) the location of Butchertown within a ghetto.

### NEW LAND USES

In regard to the poor image of Butchertown associated with existing uses, we recommend the following.

#### Relocation of Existing Firms

It is our conclusion that experienced San Francisco firms will not commit themselves to a redeveloped Butchertown location until they are absolutely satisfied that the objectionable features of the existing area have been removed. We suggest that relocation of the meat processing operations, which we understand will be to the easterly, or Bay, side of the project area should be accomplished during an initial phase of the development period. Thus, it can be demonstrated to potential firms that the odors and other objectionable features of the meat processing operation have indeed been removed.

#### Change of Name

Connected with the above, we suggest that the name of the new industrial park be changed from "Butchertown" in keeping with the overall renewal of the area. In light of the existing bad image, renaming Butchertown and the method of introducing the new name should be the result of a carefully worked out communications campaign.

### Initial Impact

These recommendations are part of a more general conclusion that an effective initial impact of the project must be registered. A change of name and new structures replacing the existing odor producing operations will help create a new image. In addition, public improvements should be initiated immediately so as to show early activity and to assure the industrial community that an aggressive development program is indeed underway and will be carried through to completion.

### LOCAL COMMUNITY IMAGE

In meetings with San Francisco manufacturers and developers, we sought to determine whether, and to what extent, the location of Butchertown in the Hunters Point ghetto area might be a drawback to future land disposition. We were pleased to conclude that this factor was not a major concern for the majority of local company representatives with whom we talked. There are, however, two specific subjects for concern. The first of these--the question of security--has been discussed previously in this report. We recommend a security program for the redeveloped Butchertown project that is by no means unusual (most modern industrial parks will make provision for a central security system). However, we believe that this system should be emphasized as part of the complete marketing approach to land sales.

Casual daytime incursions into the industrial area by local residents (primarily juveniles) is an existing problem in the South Bayshore area. This is an unfavorable feature of mixed land uses, which can be avoided by a differentiation between the industrial park and neighboring residential areas. It is thus our conclusion that the continuity of land uses implicit within the industrial park environment will be sufficient to eliminate these incursions without resort to special barriers which might affront the neighboring community.

## LABOR INTENSIVE EMPLOYMENT

Having considered factors that will influence the marketability of industrial park land regardless of special considerations of job generation, we now turn to that redevelopment goal, and how it might be best accomplished.

## WORKER DENSITY RATIOS

Our first step in this analysis is to establish which industries are labor intensive. Table 32 shows the results of an analysis of worker density among Los Angeles County manufacturing firms. Our analysis of San Francisco firms while not providing the precisely same type of information, suggests that worker densities in the City are even more intensive. We can use the Los Angeles County data because between the two geographic regions, relative labor intensity among different types of industries will remain the same. Also in San Francisco, lack of land plus old manufacturing facilities results in more labor density than most business managers would choose. In new industrial land development, we would expect to see less density more closely paralleling that found in the Los Angeles area.

It can be seen that Printing and publishing and Apparel firms have quite high worker per acre ratios. These two categories are followed by Electrical machinery (primarily assembly operations performed by women), Transportation equipment, Ordnance, (neither of which are major industries in the City), and Food and kindred products, which is a major San Francisco industry.

To compare these densities with those of the distribution industries, Wholesaling typically produces about 24 workers per acre and Motor freight and warehousing operations yield approximately 14 workers per acre.

Among those industries that might develop as support operations to the new containerization facilities, lumber and wood manufacturing yields approximately 35 workers per acre.

## OPPORTUNITIES FOR EMPLOYMENT

Earlier we have discussed trends toward increased acceptance of Negro workers in blue collar occupations. In light of these trends, it would seem that marketing prospects would be enhanced if the food processing industry and the government service industries were aggressively sought. In view of Butchertown's prime location with respect to the transportation system, the park might also make a good site for a United States Post Office processing facility or a containerization contents assembly and distribution facility.

## Table 32
## WORKER DENSITIES IN LOS ANGELES COUNTY BY TYPE OF INDUSTRY

| Manufacturing Industries | Average Number of Workers per Acre of Total Site |
|---|---|
| Intensive | |
| Apparel | 114.5 |
| Printing and Publishing | 113.6 |
| Moderately Intensive | |
| Transportation Equipment | 57.2 |
| Ordnance | 56.0 |
| Electrical Machinery | 55.8 |
| Food and Kindred Products | 45.9 |
| Instruments | 40.0 |
| Textiles | 36.4 |
| Furniture and Fixtures | 35.8 |
| Machinery, Except Electrical | 30.1 |
| Moderately Extensive | |
| Lumber and Wood | 35.3 |
| Paper Products | 29.8 |
| Fabricated Metals | 29.2 |
| Miscellaneous Manufacturing | 25.6 |
| Rubber and Plastics | 21.6 |
| Motion Picture Production | 15.9 |
| Chemicals | 14.6 |
| Extensive | |
| Stone, Clay and Glass | 6.5 |
| Petroleum Refining | 2.8 |
| All Manufacturing Industries | 31.6 |

Source: Industrial Location Factors Survey, Regional Planning Commission, County of Los Angeles, California, 1967

## Job Openings by Industry

From the standpoint of market identification, results of the survey of San Francisco manufacturers pinpoint certain industries that need trained, or trainable, blue collar workers. This is shown in the tabulation below which lists the number of male job openings reported by various industry respondents.

| | Professional Managerial | Clerical, Sales | Skilled | Semi-Skilled | Unskilled |
|---|---|---|---|---|---|
| Printing and Publishing | 2 | 4 | 6 | 4 | 1 |
| Fabricated Metal Products | 5 | 9 | 31 | 5 | 14 |
| Electrical Machinery | 4 | 8 | 12 | 8 | 7 |
| All Industries (including above) | 54 | 74 | 123 | 29 | 26 |

Fabricated metal products firms represented 12 percent of all the firms surveyed. However, this group of firms had 22 percent of the skilled male job openings and over 36 percent of all semi-skilled and unskilled male job openings. Similarly, Electrical machinery, equipment and supply firms represented only 4 percent of all firms surveyed, but had about 10 percent of the skilled job openings and 27 percent of the semi-skilled and unskilled jobs available. Conversely, Printing and publishing firms were over 15 percent of all firms surveyed, but reported only 5 percent of the skilled male job openings and less than 10 percent of the semi- and unskilled job openings.

As a result, it can be concluded that firms in the Fabricated metal products, and Electrical machinery industries are in need of trained (and unskilled) workers and would be particularly attracted by local vocational training programs. The expanding ships service firms associated with the new Port Authority development should have the same requirement for an increased number of local workers and should support establishment of a vocational training program in the South Bayshore area.

Among labor intensive industries, Apparel and Electrical machinery firms require easily trainable skills that would be highly appropriate for Butchertown. Both, however, tend to concentrate among women employees. Printing and publishing, unfortunately require higher skills and are highly unionized but should be pursued because they represent a large share of all firms in San Francisco.

Food and kindred product industries are already established within the park and will be retained. Accordingly, we see this industry continuing to dominate the industrial composition of the redeveloped Butchertown.

## GOVERNMENTAL SUPPORT PROGRAMS

A special form of motivation for industrial firms to locate within ghetto areas are the increasing number of government incentive programs directed toward employers. These include Small Business Administration programs such as Economic Opportunity Loans to Small Businesses, and The Small-Business Financial Assistance Program and Economic Development Administration programs such as Loans to Businesses or Development Companies, among other programs that directly or indirectly assist industry growth. Training assistance programs are also playing an increasing role in attracting certain firms to low income areas.

### Training

In the latter connection, we recognize it is beyond the scope of this study to investigate and reach conclusions regarding the most effective forms of training for Butchertown. We are aware of existing programs such as the Opportunities Industrialization Centers in Menlo Park and Oakland. (A Development Research Associates representative toured the Menlo Park facility), as well as programs sponsored by the Bay Area Urban League, among others. We do know that the Bay Area business community is not yet sufficient aware of these programs, and unfortunately generally feel they do not provide the scope of training needed for their operations.

Thus, in the successful development of Butchertown, there is a need to translate the work requirements of potential Butchertown employers into meaningful training programs for the unemployed and underemployed of the Bayview-Hunters Point area, and to communicate these training capabilities to potential Butchertown buyers. We are happy to note that new legislation has been suggested to supplement existing federal programs in both training and financial assistance to ghetto employers.

### Government Contracts

In addition, there is increasing effort to channel government contracts to firms that make a demonstrable effort to employ ghetto residents. Market planning

for Butchertown must be aware of these rapidly developing trends and seek to convert them to the location of employers in the Butchertown Industrial Park.

We should point out that these influences in the letting of government contracts do not apply only to the major prime contractors, but to subcontractors as well. Thus, the effect of these incentives will filter down directly to the small assemblers or fabricators that might locate in Butchertown.

## INCENTIVES AS EMPLOYMENT GOALS

It is encouraging to observe the trend toward incentives to encourage new jobs in the ghetto. Our interviews indicates many San Francisco manufacturers would resist so called employment "quotas" as a condition of land purchase. It is not likely that such employment quotas are workable in a land sale program (in contrast with lease programs, where rates can be adjusted as employment changes). Whereas employment goals, coupled with effective incentives and supported by reasonable estimates of the expansion potential of prospective industrial firms, should be effective in Butchertown land sales.

### Effect on Absorption

These are dynamic influences that are difficult to translate to a definite expected level of sales. We believe, however, that the expanding "bundle" of incentives to employers to hire and train the minority residents of the Bayview-Hunters Point area will largely offset the limitation to sales imposed by the job generation goals of the project. The creative marketing approach will be in expressing these incentives in the most effective way to individual Butchertown prospects.

### Screening Market Prospects

Associated with the point made above, the Butchertown redevelopment project is not only a challenging concept, it is the first project of its type in San Francisco. (In many ways it is a "first" for the country as well.) Industrial prospects must be carefully screened so that those which would pay only lip service to the job generation goals of the project can be eliminated. This is most important in regard to the first companies to acquire space in the project area.

It is assumed that Butchertown, as San Francisco's first industrial park, will be planned and developed to a high level of quality matching the high standards set by the City in other accomplishments.

## MIX OF INDUSTRY AND JOBS YIELDED

In light of the above we can arrive at a general forecast of the most likely industrial firms in the Butchertown area. It is unrealistic at this time to attempt to allocate even approximate percentages of land to the various industries. However, we can indicate which industries are likely to be most significant in the future Butchertown area, and which will play a more minor role. These are:

### Major Industries by Occupancy

- Food and kindred products
- Lumber and wood products
- Printing and publishing
- Electrical machinery
- Fabricated metal products

### Minor Industries by Occupancy

- Apparel
- Food service
- Government (industrial orientation)
- Ships services and general services

We would estimate that this combination of industries will yield between 50 and 60 jobs per acre of land to be sold in Butchertown. Accordingly, the 75 acres of salable land in the proposed park would yield a total of from 3,750 jobs to 4,500 jobs.

## SKILL LEVELS

The skill levels of these potential jobs will also vary dependent upon the final mix of industries located within the Park. However, the skill emphasis of the industries--blue collar trades only--would be approximately as shown below:

| | Skilled | Semi-Skilled | Unskilled |
|---|---|---|---|
| Food and kindred products | | X | X |
| Lumber and wood products | X | X | |
| Printing and publishing | X | | |
| Electrical machinery | X | X | |
| Fabricated metal products | | X | |
| Apparel | X | X | |
| Food service | | | X |
| Government (industrial orientation) | | X | |
| Ships and general services | | X | X |

In this tabulation, a skill level is checked if more than 25 percent of the employees of the firms in the industry have these skills. Thus, it can be seen that the semi-skilled trades are emphasized among the industries indicated as being most appropriate for the Butchertown Industrial Park. This would be particularly true of the industries which we consider to be most promising for Butchertown.

Based upon the above, we would estimate the final mix of job types and skills in the Park would be approximately as follows:

| Job Type or Skill Level | Percent | Number of Jobs (Range) |
|---|---|---|
| Professional and Managerial | 8% | 300- 360 |
| Clerical and Sales | 12 | 450- 540 |
| Skilled | 22 | 825- 990 |
| Semi-skilled | 38 | 1,425-1,710 |
| Unskilled | 20 | 750- 900 |
| Total | 100% | 3,750-4,500 |

## METHOD OF SALE

Due to the importance of an accelerated marketing program, particularly in the early years of the project, we recommend a flexible disposition program. This would include negotiated disposition particularly in connection with existing industries to be relocated with in the project area, fixed price with consideration for non-price factors (type of industry, job generation, etc.) and competitive bid basis, particularly for non-industrial land uses.

## LAND ABSORPTION

In consideration of the foregoing material, we suggest that the sales rate for land in the redeveloped Butchertown area will not be as rapid as it would be were there no restrictions placed upon potential land use or employment mix. Nevertheless, we feel much of this limitation over sales can partially be offset by an aggressive program to sell Butchertown as a vital social requirement of the City of San Francisco. An equally aggressive program of assistance to potential land buyers keyed to the job generation goals of the project must be undertaken. Both the City and Federal governments should be involved

in these programs, as well as private business groups and individuals. The down to earth, practical attitude demonstrated by the Greater San Francisco Chamber of Commerce in industrial development will continue to be of great importance in the future marketing of Butchertown properties.

Accordingly, we forecast a more modest, but still entirely acceptable, sales rate of approximately 12 to 15 acres per year for Butchertown. On this basis the land will be completely absorbed within five to six years.

# APPENDIX

## Appendix A-1
## AVERAGE EARNINGS OF PRODUCTION WORKERS, 1966

| Industry | Average Weekly Earnings San Francisco-Oakland | Average Weekly Earnings California | Average Hourly Earnings San Francisco-Oakland | Average Hourly Earnings California | Number Employee San Franc Oaklan (in thousa |
|---|---|---|---|---|---|
| Durable Goods Manufacturing | $139.44 | $134.79 | $3.46 | $3.24 | 103.3 |
| Lumber and Wood Products | 116.33 | 120.30 | 2.96 | 3.00 | 2.3 |
| Furniture and Fixtures | 116.31 | 112.61 | 3.11 | 2.88 | 4.4 |
| Household Furniture | 108.66 | 108.49 | 2.89 | 2.84 | -- |
| Stone, Clay, and Glass | 146.25 | 137.84 | 3.62 | 3.24 | 8.1 |
| Primary Metal Industries | 144.67 | 139.86 | 3.52 | 3.33 | 12.2 |
| Iron and Steel Foundries | 133.25 | 122.89 | 3.25 | 2.99 | -- |
| Fabricated Metal Products | 142.36 | 136.63 | 3.55 | 3.23 | 22.6 |
| Fabricated Steel Metal Products | 141.21 | 143.07 | 3.63 | 3.55 | -- |
| Machinery Excluding Electrical | 131.04 | 136.32 | 3.36 | 3.20 | 15.9 |
| Construction and Related Machinery | 140.14 | 134.69 | 3.64 | 3.23 | -- |
| General Industrial Machinery | 133.13 | 133.65 | 3.44 | 3.13 | -- |
| Electrical Machinery, Equipment | 132.39 | 128.33 | 3.19 | 3.07 | 18.5 |
| Transportation Equipment | 151.29 | 144.82 | 3.69 | 3.44 | 15.2 |
| Motor Vehicles and Equipment | 143.38 | 139.74 | 3.48 | 3.40 | 9.5 |
| Ship and Boat Building | 166.86 | 154.37 | 4.12 | 3.84 | 4.7 |
| Instruments and Related Products | 125.29 | 120.93 | 3.14 | 2.90 | 1.9 |
| Miscellaneous Manufacturing Industries | 129.96 | -- | 3.42 | -- | 2.2 |
| Non-Durable Goods Manufacturing | 133.45 | 117.00 | 3.37 | 3.00 | 99.7 |
| Food and Kindred Products | 131.13 | 119.03 | 3.27 | 3.06 | 37.6 |
| Canning and Preserving | 114.17 | 102.82 | 2.84 | 2.65 | 9.7 |
| Bakery Products | 131.95 | 133.52 | 3.50 | 3.57 | -- |
| Confectionary and Related Products | 101.78 | 97.67 | 2.63 | 2.55 | -- |
| Beverages | 153.27 | 138.38 | 3.91 | 3.53 | -- |
| Textile Mill Products | 108.50 | 92.52 | 2.74 | 2.29 | 0.8 |
| Apparel and Related Products | 77.90 | 74.34 | 2.17 | 2.02 | 8.7 |
| Men's and Boys' Furnishings | 65.86 | 67.53 | 1.85 | 1.84 | -- |
| Women's, Misses' and Juniors' Outwear | 72.16 | 77.54 | 2.18 | 2.16 | -- |
| Paper and Allied Products | 130.71 | 128.71 | 3.09 | 3.05 | 8. |
| Converted Paper and Paperboard Products | 127.00 | 124.09 | 3.09 | 2.99 | -- |
| Paperboard Containers | 129.36 | 126.30 | 3.08 | 3.00 | -- |
| Printing and Publishing | 156.16 | 141.81 | 4.29 | 3.95 | 19.7 |
| Chemicals and Allied Products | 142.42 | 137.90 | 3.44 | 3.26 | 12.2 |
| Industrial Chemicals | 149.39 | 148.17 | 3.54 | 3.47 | -- |
| Paint, Varnishes and Allied Products | 138.53 | 134.82 | 3.33 | 3.21 | -- |
| Petroleum Refining | 156.31 | 148.12 | 3.61 | 3.51 | 10.2 |
| Rubber and Miscellaneous Plastic Products | 115.13 | 123.52 | 2.90 | 2.92 | 1.6 |
| Leather and Leather Products | 116.91 | 86.11 | 2.93 | 2.26 | 0.7 |
| Wholesale Trade | 136.82 | 123.78 | 3.37 | 3.11 | 77.3 |

Note: San Francisco-Oakland includes Alameda, Contra Costa, Marin, San Francisco, and San Mateo Counties.

Source: U.S. Department of Labor, Employment and Earnings Statistics for States and Areas, (July, 1967), Bulletin No. 1370-4, pp. 93-99

## Appendix A-2
## 1967 LABOR WAGE RATES OF REPRESENTATIVE SAN FRANCISCO INDUSTRIES BY OCCUPATION

| Industry | Hourly Rate |
|---|---|
| Chemical Industry | |
| Electrician | $3.765 |
| Maintenance Man | 3.705 |
| Utility Man (Laborer) | 3.04 |
| Chief Fireman | 3.705 |
| Shipper | 3.295 |
| Metal Trades | |
| Die Caster Pressure Molder | 3.27 |
| Die Caster Permanent Molder | 3.20 |
| Senior Electrician Technician | 4.18 |
| Journeyman Machinists | 3.71 |
| Journeyman Welder | 3.71 |
| Maintenance Machinists | 3.95 |
| Maintenance Welder | 3.95 |
| Shop Janitor | 2.77 |
| Electrical Machinery[1] | |
| Male Production Worker | 2.60 |
| Female Production Worker | 2.43 |
| Female Line Assembly Worker | 2.32 |
| Material Handler | 2.34 |
| Janitor | 2.61 |
| Male General Set-up Man and Operator | 2.755 |
| Electrical Technicians | 3.76 |
| Butchers | |
| Journeymen, Job Butchers | $156/week |
| Bench Hands and Boners | |
| Calf Skinners | $156/week |

| Industry | Hourly Rate |
|---|---|
| Typographers | |
| Day Shift | $4.6814 |
| Night Shift | 4.8528 |
| Paper Box | |
| Journeyman Maintenance Man | 3.775 |
| Die Maker's Helper | 3.505 |
| Maintenance Man | 2.710 |
| Paper Cutter | 3.145 |
| Janitor | 2.495 |
| Gummen | 2.055 |
| Stacker | 2.055 |
| Bakery | |
| Foremen | 4.17 |
| Journeyman Bakers | 3.97 |
| Ovenmen-Doughmen | 4.09 |
| Apprentice-Helpers | 3.97 |
| Pangreasers, Pot Washers | 3.41 |

(Note: Above rates for regular employees; an approximate premium of 11¢ per hour is paid to jobbers.)

| | |
|---|---|
| Planning Mills and Cabinet Works | |
| Journeymen | 3.975 |
| Case Assemblers | 3.755 |
| Stock Cutters | 3.755 |
| Boring Machine Operators | 3.425 |
| Chisel and Chain Handler | 3.425 |
| Glue Machine Production Workers | 3.425 |
| Groover | 3.375 |

[1] Expired April, 1966.

Source: Contracts of the following unions, which are on file with the State of California, Department of Industrial Relations, Division of Labor Statistics and Research: International Union of Mine, Metal and Smelter Workers; International Association of Machinists (AFL-CIO); Brotherhood of Electrical Workers (AFL); San Francisco Typographical Union No. 21; Paper Box Employees Union; American Bakery and Confectionary Workers (AFL-CIO); United Brotherhood of Carpenters and Joiners of America; and Butcher's Union, Local No. 115.

Appendix B-1

## SAN FRANCISCO CHAMBER OF COMMERCE

## CONFIDENTIAL INDUSTRIAL SURVEY

1. Is the headquarters of your firm located at this site?

Yes ☐- 1 No ☐- 2

2. If not, please indicate where the head office is located:

Other San Francisco ☐- 1
Other Bay Area County ☐- 2
Other Northern California ☐- 3
Other California ☐- 4
Out of state ☐- 5

3. In what year was your firm established in San Francisco? ____________

4. When did your firm begin operations at this site? ____________

5. Please indicate the one product category below which dominates your manufacturing output based on value of production at this site.

| SIC CODE | | Check One Only |
|---|---|---|
| 19 | Ordnance and accessories | ☐-01 |
| 20 | Food and kindred products | ☐-02 |
| 22 | Textile mill products | ☐-03 |
| 23 | Apparel and related products | ☐-04 |
| 24 | Lumber and wood products | ☐-05 |
| 25 | Furniture and fixtures | ☐-06 |
| 26 | Paper and allied products | ☐-07 |
| 27 | Printing and publishing | ☐-08 |
| 28 | Chemicals and allied products | ☐-09 |
| 29 | Petroleum and coal products | ☐-10 |
| 30 | Rubber and plastic products | ☐-11 |
| 32 | Stone, clay and glass products | ☐-12 |
| 34 | Fabricated metal products | ☐-13 |
| 35 | Machinery except electrical | ☐-14 |
| 36 | Electrical machinery, equipment and supplies | ☐-15 |
| 37 | Transportation equipment | ☐-16 |
| 38 | Instruments and related products | ☐-17 |
| 39 | Other manufactured products | ☐-18 |

6. What is your firm's average annual full-time employment at this site? Please check the appropriate box below.

1- 9 Employees ☐-1
10- 19 Employees ☐-2
20- 49 Employees ☐-3
50- 99 Employees ☐-4
100-249 Employees ☐-5
250- 499 Employees ☐-6
500- 999 Employees ☐-7
1000-2499 Employees ☐-8
2500-4999 Employees ☐-9
5000 or more employees ☐-10

7. How many of your employees live outside the San Francisco City limits?

0 - 9% ☐-1
10 -19% ☐-2
20 - 34% ☐-3
35 - 49% ☐-4
50% or more ☐-5

8. Please indicate the approximate average full-time employment at this site since 1955 for the following years:

| | Number | Percentage of total employment |
|---|---|---|
| 1955 | | |
| 1965 | | |
| 1966 | | |
| 1967 | | |

9. Is there a pronounced seasonal factor in your employment?

Yes ☐-1 No ☐-2

10. If your employment is seasonal, how much higher than average employment is peak period employment? If employment is not seasonal, skip to Question 12.

1 - 24% ☐-1
24 - 49% ☐-2
50 - 100% ☐-3
More than 100% ☐-4

11. If your employment is seasonal, when are the periods of peak employment (Calendar year basis)

First Quarter ☐-1
Second Quarter ☐-2
Third Quarter ☐-3
Fourth Quarter ☐-4

(Please turn to other side)

12. What is the approximate annual payroll of your firm? ______________

13. Please indicate the present percentage of your employees at this site engaged in the types of work listed below:

| | 0% | 1-9% | 10-24% | 25-49% | 50-74% | 75-99% | 100% |
|---|---|---|---|---|---|---|---|
| Professional & Managerial | ☐-1 | ☐-2 | ☐-3 | ☐-4 | ☐-5 | ☐-6 | ☐-7 |
| Clerical & Sales | ☐-1 | ☐-2 | ☐-3 | ☐-4 | ☐-5 | ☐-6 | ☐-7 |
| Service | ☐-1 | ☐-2 | ☐-3 | ☐-4 | ☐-5 | ☐-6 | ☐-7 |
| Skilled | ☐-1 | ☐-2 | ☐-3 | ☐-4 | ☐-5 | ☐-6 | ☐-7 |
| Semi-skilled | ☐-1 | ☐-2 | ☐-3 | ☐-4 | ☐-5 | ☐-6 | ☐-7 |
| Unskilled | ☐-1 | ☐-2 | ☐-3 | ☐-4 | ☐-5 | ☐-6 | ☐-7 |

14. Please indicate if the percentages indicated in Question 13 have changed proportionately over the past ten years.

| | Proportionately More | No Change | Proportionately Less |
|---|---|---|---|
| Professional & Managerial | ☐-1 | ☐-2 | ☐-3 |
| Clerical & Sales | ☐-1 | ☐-2 | ☐-3 |
| Service | ☐-1 | ☐-2 | ☐-3 |
| Skilled | ☐-1 | ☐-2 | ☐-3 |
| Semi-skilled | ☐-1 | ☐-2 | ☐-3 |
| Unskilled | ☐-1 | ☐-2 | ☐-3 |

15. Does your firm conduct an on-the-job training program for your employees?

Yes ☐-1 No ☐-2

16. What percent of your employees are union members?

Production workers_____% Maintenance workers_____% White Collar workers_______%

17. Are the community's high school graduates adequately prepared for your needs?

Yes ☐-1 No ☐-2

If no, what is lacking?

- Vocational skills ☐-1
- Understanding skills ☐-2
- Sense of personal responsibility ☐-3
- Other (please specify) ☐-4

______________________________________________

______________________________________________

18. Where do you now recruit your entry-level job applicants?

- California State Department of Employment ☐-1
- Professional employment agencies ☐-2
- San Francisco Unified School District ☐-3
- Newspaper Advertising ☐-4
- Walk-in Applicants ☐-5
- Through Existing Employees ☐-6
- Labor Union ☐-7
- Other (please specify) ☐-8

______________________________________________

______________________________________________

19. Approximately how many job openings, if any, do you have in these categories?

| | Male | Female | Total |
|---|---|---|---|
| Professional & Managerial | | | |
| Clerical & Sales | | | |
| Service | | | |
| Skilled | | | |
| Semi-skilled | | | |
| Unskilled | | | |

20. What is the employment radius of your company? ____________ miles

21. How does your local employment compare with ten years ago?

| | Today | | 10 Years Ago | |
|---|---|---|---|---|
| | Male | Female | Male | Female |
| Professional & Managerial | _____ | _____ | _____ | _____ |
| Clerical & Sales | _____ | _____ | _____ | _____ |
| Service | _____ | _____ | _____ | _____ |
| Skilled | _____ | _____ | _____ | _____ |
| Semi-skilled | _____ | _____ | _____ | _____ |
| Unskilled | _____ | _____ | _____ | _____ |

22. What percentage of your employees spend the greater part of the work day off the site? (salesmen, drivers, etc.)

0% ☐-1
1 - 4% ☐-2
5 -14% ☐-3
15 -24% ☐-4
25 -49% ☐-5
50 -74% ☐-6
75% or more ☐-7

23. How many of your employees are now enrolled in a training program for improving employee skills?

| | Number | | Number |
|---|---|---|---|
| College or University | _____ | Apprentice shop course | _____ |
| Trade Schools | _____ | On-the-job training | _____ |
| | | Other | _____ |

24. If you have any job openings, what are the reasons these jobs are unfilled? (please check one or more as appropriate)

Living costs in the community ☐-1
Lack of homes convenient to operations ☐-2
Transportation difficulties ☐-3
Late shift hours ☐-4
Shortage of workers in these categories ☐-5
Other reasons (please specify below) ☐-6

_______________________________________________

_______________________________________________

25. Do you anticipate an increase or decrease in employees during the next 5 years?

Increase ☐-1 Decrease ☐-2

26. Please estimate the percentage increase or decrease in employment over the next 5 years.

Increase ________% Decrease ________%

27. Do you see any difficulty in obtaining qualified people in the future?

Yes ☐-1 No ☐-2

If _yes_, what categories generally?

Professional, managerial ☐-1
Clerical & sales ☐-2
Service ☐-3
Skilled ☐-4
Semi-skilled ☐-5
Unskilled ☐-6

28. In consideration of question 27, _why_ do you foresee difficulty in obtaining qualified personnel in these categories?

_______________________________________________

_______________________________________________

_______________________________________________

29. Which of the following categories accurately describes the situation of your firm at this site?

Own land and building(s) ☐-1
Lease land and building(s) ☐-2
Lease land, own building ☐-3
Own land, lease building ☐-4
Other__________________ ☐-5

(Please turn to other side)

30. In what year was the main building on the site constructed?

Prior to 1930 ☐-1    1950 - 1954 ☐-4
1930 - 1939 ☐-2    1955 - 1959 ☐-5
1940 - 1949 ☐-3    Since 1960 ☐-6

31. Is the main building a single or multi-story building?

1 story ☐-1    2 stories ☐-2    3 or more stories ☐-3

32. What type of construction is the building?

Wood Frame & Masonry ☐-1    Steel & Masonry ☐-3
Tilt-Up Concrete ☐-2    Steel Frame and Metal Clad ☐-4

33. Are you the sole occupant of your building, or do you share the building with other tenants?

Sole occupant ☐-1    Share the building ☐-2

34. How much floor area do you occupy? (please give number in square feet)

____________________________sq. ft.

35. If you own or lease the entire site, what is the total land area of the site? Please answer in percentages.

Land area covered by buildings _____%
Vacant land _____%
Parking _____%
Landscaping _____%
Outdoor loading and Storage _____%
Roads _____%

37. How many parking spaces do you make available for the following purposes?

Employee parking (number) _____
Company vehicles (number) ________
Visitors (number) ________

38. Does your firm have definite plans to expand facilities?

Yes ☐-1    No ☐-2

If yes, when and where will this expansion occur?

| | At this site | At a new site |
|---|---|---|
| Through 1969 | ☐ (7) | ☐ (9) |
| 1970 and after | ☐ (8) | ☐ (10) |

39. Are you planning to leave the present site for any reason, including expansion at a new site?

Yes ☐-1    No ☐-2

If yes, when do you expect to leave?    Through 1969 ☐-3
1970 and after ☐-4

40. If your firm plans to move or expand elsewhere, where will the future site be located?

In San Francisco ☐-1    Elsewhere in California ☐-3
Elsewhere in the Bay Area ☐-2    Out of California ☐-4

41. How large will the future site be (in acres to the nearest tenth of an acre)?

__________________________acres

What percent of the future site will you maintain as a reserve for future expansion?

________________%

42. Would you like the future site to be in an industrial park?

Yes ☐-1    No ☐-2

Please indicate which of the following categories accurately describes your situation at the future site:

Own land and building(s) ☐-1
Lease land and building(s) ☐-2
Lease land, own building(s) ☐-3
Own land, lease building(s) ☐-4
Other ☐-5

43. Do you find it difficult to acquire normal business credit for any new product lines or physical plant expansions? Yes ☐-1 No ☐-2

44. Do you find it difficult to acquire risk capital for any new product lines or physical plant expansions? Yes ☐-1 No ☐-2

45. As to markets, would you please give us your best estimate of the percentage of your 1966 sales that were made to customers in each of the following areas:

San Francisco __________%
Bay Area __________%
Other California __________%
United States (other than California) __________%
Foreign __________%

46. Considering only your Bay Area sales, please roughly estimate the percentage distribution of total sales among the following categories of customers:

to local manufacturers __________%
to local wholesalers __________%
to local retailers & householders __________%
to other local customers __________%
to federal government __________%

47. Please roughly estimate the total volume of sales for your company in 1966:

_______Under $50,000.
_______$50,000 - $ 99,999
_______$100,000 - $499,999
_______$500,000 - $999,999
_______$1,000,000 - $4,999,999
_______$ 5,000,000 - $ 9,999,999
_______$10,000,000 - $19,999,999
_______$20,000,000 - $29,999,999
_______$30,000,000 - $49,999,999
_______$50,000,000 and over

48. Does San Francisco and the Bay Area offer adequate sources for the principal supplies your company needs?
Yes ☐-1 No ☐-2

Please give us your best estimate of the approximate percentage of supplies obtained from organizations and individuals located in the Bay Area and elsewhere.

Bay Area _________% Elsewhere _______%

49. As a consequence of your purchase and sales requirements, can you maintain generally small inventories?
Yes ☐-1 No ☐-2

50. In what respects do you feel your present site or location is not satisfactory for your firm? We have listed a number of possible factors. Would you please rate the importance of these factors:

| | Advantage | Of Little Importance | Disadvantage |
|---|---|---|---|
| Local Zoning Codes | ☐-1 | ☐-2 | ☐-3 |
| Local Building Codes | ☐-1 | ☐-2 | ☐-3 |
| Conditions of Nearby Streets and Highways | ☐-1 | ☐-2 | ☐-3 |
| Fire Protection Service | ☐-1 | ☐-2 | ☐-3 |
| Security Enforcement (Police) | ☐-1 | ☐-2 | ☐-3 |
| Ease of Access to Building by Truck or Auto | ☐-1 | ☐-2 | ☐-3 |
| Access to Railroads | ☐-1 | ☐-2 | ☐-3 |
| Public Transportation | ☐-1 | ☐-2 | ☐-3 |

(Please turn to other side)

| | Advantage | Of Little Importance | Disadvantage |
|---|---|---|---|
| Employee Commuting Conditions | ☐-1 | ☐-2 | ☐-3 |
| Waste Disposal | ☐-1 | ☐-2 | ☐-3 |
| Power Service & Frequency Control | ☐-1 | ☐-2 | ☐-3 |
| Water Pressure & Quality | ☐-1 | ☐-2 | ☐-3 |
| Access to Airport | ☐-1 | ☐-2 | ☐-3 |
| Natural Gas, Fuel, Oil (Quality & Efficiency of Service) | ☐-1 | ☐-2 | ☐-3 |

51. In your opinion, are there current trends, other than normal business growth, which will influence the future space needs of your firm? Would you indicate what effect, if any, the following factors might have on your space needs in the future?

| | Increase | Decrease | No Influence |
|---|---|---|---|
| Automation | ☐-1 | ☐-2 | ☐-3 |
| Changes in production techniques | ☐-1 | ☐-2 | ☐-3 |
| Employee amenities | ☐-1 | ☐-2 | ☐-3 |
| Governmental regulations | ☐-1 | ☐-2 | ☐-3 |
| Changes in product lines | ☐-1 | ☐-2 | ☐-3 |
| Additional functions | ☐-1 | ☐-2 | ☐-3 |
| Other:______________________ | | | |

52. In your opinion, will these changes increase the amount of floor space per employee? Please indicate the percent of change below.

Increase ☐-1 Decrease ☐-2 No change ☐-3

Percent change__________%

53. We have covered much ground with these questions. If you wish to comment more fully on any of the above subjects -- or on related subjects -- please do so below.

Thank you very much for your help and cooperation. Please fill in your name and company's name and address below. If you would like to receive a copy of the questionnaire tabulation, please check the box next to your name.

Name:____________________________ ☐-1

Firm:____________________________

Address:__________________________

Please return survey to:
Mr. James M. Murray
Manager
Economic Development
Greater San Francisco
Chamber of Commerce
420 Montgomery Street
San Francisco, California
94104

## Appendix B-2
## SAN FRANCISCO INDUSTRIAL SURVEY SUPPLEMENT

As you may know, we are studying the feasibility of an industrial park in the Butchertown area of San Francisco. We would like to get your reaction to specific ideas regarding this industrial development.

1. On this map, you will see the location of Butchertown in relation to the new Hunters Point Freeway and Southern Crossing to Alameda and east Oakland. (explain relocation and redevelopment plans)

   For firms in your industry what would be the advantages, if any, of a location in this area? (do not read list)

   Close to customers ☐ - 1
   Close to labor ☐ - 2
   Close to suppliers ☐ - 3
   Accessible for executives, visitors ☐ - 4
   No advantage ☐ - 5
   Other or explain ______________________________

   ______________________________________________

   ______________________________________________

2. What would be the disadvantage of this location? (do not read list)

   Bad image ☐ - 1
   Too close to residential ☐ - 2
   Security ☐ - 3
   Other ________________________________________

   ______________________________________________

   ______________________________________________

3. We hope to provide a large number of desirable industrial sites in Butchertown, and at the same time provide more jobs for the local residents. Considering just your hourly employees, which worker skills are necessary in your firm's operations?

Men: ________________________________________

________________________________________

________________________________________

________________________________________

Women: ________________________________________

________________________________________

________________________________________

4. Assuming you conduct on-the-job training in these skills, would vocational training be desirable to prepare for or supplement the job training?

Yes __________ No __________

5. If yes, would it be desirable to have a Skills Center located in the industrial park?

Yes __________ No __________

Please comment: ________________________________________

________________________________________

________________________________________

6. Would it be desirable to have city owned and operated ball fields in the industrial park for evening and weekend industrial league play?

Yes __________ No __________

7. What would be the advantages or disadvantage of such a facility from the standpoint of your industrial operations?

Please comment: ________________________________________

____________________________________________________

____________________________________________________

8. If you were designing your own industrial park, what facilities would you like to have? (do not read list)

Underground utilities ☐ - 1

Rail spur ☐ - 2

Central truck terminal ☐ - 3

Restaurants ☐ - 4

Hotel ☐ - 5

Meeting rooms ☐ - 6

Bank ☐ - 7

Post Office ☐ - 8

Others ______________________________

______________________________________

______________________________________

______________________________________

9. From the standpoint of your own industrial operations, what types of industry would be objectionable neighbors? ___________

____________________________________________________

____________________________________________________

## Appendix C-1
## EXISTING AND REQUIRED PARCEL SIZES SAN FRANCISCO INDUSTRIAL FIRMS THAT EXPECTED TO GROW

| Floor Area (square feet) | Total Land Area Required | Parcel Size Needed (acres) | Floor Area (square feet) | Total Land Area Required | Parcel Size Needed (acres) |
|---|---|---|---|---|---|
| 22,000[1] | 40,000[1] | 1 | 22,000[1] | 32,800[1] | 1 |
| 85,000 | 127,300 | 3 | 35,000 | 52,400 | 1-1/2 |
| 22,000 | 40,000 | 1 | 40,000 | 60,100 | 1-1/2 |
| 5,000 | 8,200 | 1/2 | 3,000 | 4,500 | 1/2 |
| 16,000 | 24,100 | 3/4 | 40,000 | 60,000 | 1-1/2 |
| 8,000 | 11,900 | 1/2 | 6,000 | 9,000 | 1/2 |
| 35,000 | 52,400 | 1-1/2 | 6,000 | 9,000 | 1/2 |
| 31,000 | 47,600 | 1-1/4 | 2,500 | 3,700 | 1/2 |
| 9,000 | 13,500 | 1/2 | 4,600 | 7,000 | 1/2 |
| 60,000 | 90,000 | 2-1/4 | 24,000 | 36,000 | 1 |
| 75,000 | 112,500 | 2-3/4 | 30,000 | 45,000 | 1-1/2 |
| 148,000 | 222,100 | 5-1/4 | 52,000 | 79,000 | 2 |
| 20,000 | 29,900 | 3/4 | 4,000 | 6,100 | 1/2 |
| 220,000 | 330,100 | 7-3/4 | 12,500 | 18,800 | 3/4 |
| 25,000 | 37,600 | 1 | 25,000 | 37,600 | 1 |
| 5,000 | 7,400 | 1/2 | 5,000 | 7,400 | 1/2 |
| 10,000 | 14,800 | 1/2 | 15,000 | 22,500 | 3/4 |
| 4,000 | 6,100 | 1/2 | 10,000 | 15,100 | 1/2 |
| 7,000 | 10,300 | 1/2 | 30,000 | 45,000 | 1-1/2 |
| 60,000 | 90,000 | 2-1/4 | 4,000 | 6,100 | 1/2 |
| 134,000 | 200,900 | 4-1/4 | 6,500 | 9,800 | 1/2 |
| 35,000 | 52,400 | 1-1/4 | 2,200 | 3,400 | 1/2 |
| 4,000 | 6,100 | 1/2 | 6,000 | 9,000 | 1/2 |
| 8,600 | 12,800 | 1/2 | 143,000 | 215,000 | 5 |
| 3,100 | 4,600 | 1/2 | 10,000 | 15,100 | 1/2 |
| 2,000 | 2,900 | 1/2 | 1,800 | 2,400 | 1/2 |
| 39,000 | 58,500 | 1-1/2 | 10,800 | 16,200 | 1/2 |
| 5,000 | 7,400 | 1/2 | 23,000 | 31,400 | 1 |
| 38,000 | 56,900 | 1-1/2 | 13,000 | 19,300 | 1/2 |
| 22,000 | 33,100 | 1 | 80,000 | 119,900 | 2-3/4 |
| 4,500 | 6,600 | 1/2 | 50,000 | 74,000 | 2 |
| 22,000 | 32,800 | 1 | 119,000 | 178,400 | 4 |
| 5,000 | 7,400 | 1/2 | 14,500 | 21,700 | 3/4 |
| 8,000 | 11,900 | 1/2 | 85,000 | 117,300 | 2-3/4 |
| 20,000 | 29,600 | 3/4 | 120,000 | 180,000 | 4 |
| 55,000 | 82,600 | 2 | 30,000 | 45,000 | 1-1/2 |
| 3,000 | 4,500 | 1/2 | 22,000 | 33,100 | 1 |
| 62,000 | 92,900 | 2-1/4 | 35,000 | 52,400 | 1-1/2 |
| 80,000 | 119,900 | 2-3/4 | 40,000 | 60,100 | 1-1/2 |
| 50,000 | 74,900 | 1-3/4 | 62,000 | 92,900 | 2-1/2 |
| 119,000 | 178,400 | 4-1/4 | 62,000 | 90,000 | 2-1/2 |
| 14,500 | 21,400 | 3/4 | 60,000 | 90,000 | 2-1/2 |
| 85,000 | 127,300 | 3 | 134,000 | 201,200 | 5 |
| 120,000 | 180,000 | 4-1/4 | 35,000 | 52,100 | 1-1/2 |
| 30,000 | 45,300 | 1-1/4 | | | |

Source: San Francisco Manufacturers Survey